

# Daily Report

# China

FBIS-CHI-91-109 Thursday 6 June 1991

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FBIS-CHI-91-109

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NOTICE TO READERS: An \* indicates material not previously disseminated in electronic form.

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#### General

#### Foreign Ministry Holds Weekly News Briefing

#### 'Regrets' Hong Kong Law

OW0606081491 Beijing XINHUA in English 0806 GMT 6 Jun 91

["China Regrets Over Hong Kong Legislative Council's 'Bill of Rights"—XINHUA headline]

[Text] Beijing, June 6 (XINHUA)—A Chinese Foreign Ministry spokesman said here today that the chinese side regrets that the Hong Kong Legislative Council passed the "Bill of Rights".

The spokesman made the remarks at a press conference here this afternoon in response to a question for the comment of the Chinese Government on the "Bill of Rights".

In disregard of the Chinese Government's principled position stated on many occasions, the spokesman said, the British side has insisted on making a "Bill of Rights" in Hong Kong which would adversely affect the implementation of the Basic Law of the Hong Kong Special Administrative Region.

He said the Chinese Government regrets this and reserves the right to examine, at an appropriate time after 1997, the laws currently in force in Hong Kong, including this "Bill of Rights", in accordance with the relevant provisions of the Basic Law.

The Chinese side reiterates that to guarantee the rights and freedoms of the Hong Kong residents constitutes an important component part of the basic guiding principles and policies of the Chinese Government towards Hong Kong, which was written into the Sino-British joint declaration and is "enshrined in the Basic Law", the spokesman noted.

"We believe that with the implementation of the Basic Law, the rights and freedoms of the Hong Kong residents will be fully and effectively guaranteed," he added.

#### Notes Arms Control Issue

OW0606082691 Beijing XINHUA in English 0818 GMT 6 Jun 91

[Text] Beijing, June 6 (XINHUA)—China is now seriously studying France's initiative on global arms control and disarmament, a Chinese Foreign Ministry spokesman said here today.

The spokesman made the remarks at a press conference when asked to comment on France's initiative and announcement to sign the Nuclear Non-Proliferation Treaty.

The spokesman said China has always stood for the complete prohibition and thorough destruction of nuclear, chemical and biological weapons.

However, he added, before these goals are achieved, China in principle endorses the adoption of fair, reasonable, comprehensive and balanced measures to prevent the proliferation of these weapons. And china has formulated policies and measures concerning this issue.

China pursues the policy of neither standing for, nor encouraging, nor engaging in nuclear proliferations, nor helping others in developing nuclear weapons, he said, adding China participated in the fourth review conference on the Nuclear Non-Proliferation Treaty in the capacity of an observer last year.

### Cambodian Settlement Desired

HK0606093091 Beijing XINHUA in English 0921 GMT 6 Jun 91

["China hopes for early political settlement of Cambodia issue"—XINHUA headline]

[Text] Beijing, June 6 (XINHUA)—China hopes all parties of Cambodia will adopt a realistic and constructive attitude towards a fair, reasonable and political settlement of the Cambodia issue at an early date, a spokesman for the Chinese foreign ministry said here today.

In response to a question on the recent Jakarta meeting at a weekly press conference, the spokesman said, "China hopes all parties in Cambodia will be able to adopt a realistic and constructive attitude, and work in co-ordination with the efforts of the international community, to create conditions for a fair, reasonable and political settlement of the Cambodia issue at an early date."

The spokesman said following the meeting in Jakarta and Paris last year, the co-chairmen of the Paris international conference on Cambodia and the supreme national council of Cambodia met again in Jakarta for consultations on the political settlement of the Cambodia issue.

"This will help promote the process of the political settlement of the Cambodia issue," said the spokesman.

"We appreciate the efforts and positive role by the co-chairmen of the paris conference in seeking a political settlement of the Cambodia issue," he said.

The spokesman said that a suspension of foreign military assistance to all parties in Cambodia constitutes an important part of a comprehensive and political settlement of the Cambodia issue.

"For us, there is no difficulty in this regard," he said. "In fact, China has not provided new military assistance to the three parties of the Cambodian resistance forces since the five permanent members of the U.N. Security council adopted the framework document on Cambodia," he added.

#### Colombian Minister To Visit

OW0606073691 Beijing XINHUA in English 0730 GMT 6 Jun 91

[Text] Beijing, June 6 (XINHUA)—At the invitation of China's State Councilor and Foreign Minister Qian Qichen. Foreign Minister of the Republic of Colombia Luis Fernando Jaramillo will pay an official visit to China from June 14 to 17.

A Foreign Ministry spokesman made the announcement at a press conference here this afternoon.

#### **Bangladesh Prime Minister Expected**

OW0606073391 Beijing XINHUA in English 0724 GMT 6 Jun 91

[Text] Beijing, June 6 (XINHUA)—At the invitation of Premier Li Peng of China's State Council, Prime Minister of the People's Republic of Bangladesh Begum Khaleda Zia will pay an official good-will visit to China from June 18 to 20.

A Chinese Foreign Ministry spokesman made the announcement at a press conference here this afternoon.

#### Paper Quotes Deng Xiaoping's Diplomatic Stance

HK0506061791 Hong Kong CHING PAO in Chinese No 167, 10 Jun 91 pp 30-31

[Article by Chen Chieh-hung (7115 3381 1738): "Deng Xiaoping's Recent Talk on China's Diplomatic Line"]

[Text] China will not ally itself with the Soviet Union to resist the United States or vice versa. The Soviet Union has encountered political and economic problems, which have thrown the country into confusion. We should do our best to offer economic assistance, but this is not aimed at getting a reward, still less favoring the Soviet Union for the sake of keeping ourselves away from and resisting the United States.

China's relations with South Korea: We should wait for diplomatic relations, but we can rapidly develop economic and trade relations.

There have been frequent visits between the top level party, government, and army leaders of China and the Soviet Union recently. CPC General Secretary Jiang Zemin visited the Soviet Union 15-19 May, opening a new chapter in Sino-Soviet relations. The "Sino-Soviet Joint Communique" issued 19 May indicates that China and the Soviet Union have reached common understanding on a number of issues, including their internal administration and diplomatic policies. This has attracted worldwide attention.

Jiang Zemin's successful USSR visit is a major development in PRC diplomatic policies, personally laid down by Deng Xiaoping. In early March, prior to Jiang Zemin's USSR tour, Deng Xiaoping held talks with Jiang Zemin, Yang Shangkun, Li Peng, Qiao Shi, and Wan Li, expressing his views on the hot issues concerning China's external relations. We now publish excerpts of Deng's remarks to increase our understanding of China's diplomatic relations.

#### China Will Not Ally Itself With the Soviet Union To Resist the United States or Vice Versa

On the first hot issue of Sino-Soviet and Sino-U.S. relations. Deng Xiaoping said: We will not play the diplomatic card. China will not ally itself with the Soviet Union or vice versa. The Soviet Union has encountered political and economic problems, which have thrown the country into confusion. We should do our best to offer economic assistance. This is not aimed at getting a reward, still less favoring the Soviet Union for the sake of keeping ourselves away from and resisting the United States. This move can be regarded as a partial reward to the Soviet people for the support they rendered us during China's war of liberation and construction in the 1950's. There are no disputes left over from history or direct conflict of interests between China and the United States. PRC-U.S. contacts over the past decade have been stable and healthy on the whole. Nevertheless, we will never allow other countries to interfere in our internal affairs. An essential reason for the deterioration of Sino-Soviet relations in the 1960's was the interference in our internal affairs. China Should Promote Friendship With Japan; Vietnam Should Do Something

On the second hot issue of China's relations with neighboring countries, Deng said: We hope that the Chinese and Japanese people will maintain friendship for generations and we have done a great deal of work in this regard. The purpose is to maintain peace in Asia and enable the countries in the region to develop their economic construction. Naturally, it will be impossible to dispel overnight the people's hatred against Japan's brutal aggression during those years. We should remind the Japanese Government and leaders of this.

Deng continued: The Vietnamese Government has indicated its intention of resuming comprehensive goodwill relations with us. Of course, this is good. But they cannot talk endlessly without doing anything. On the Cambodian issue, Vietnam should do something and take bigger and quicker steps. We have not forgotten the past history of our unity against the aggressors.

On Sino-Indian relations, Deng said: No breakthroughs have been made in Sino-Indian talks because of the border disputes. The matter should be dealt with patiently, but we cannot continue to make concessions. Both sides should respect historical facts, but we cannot accept the incidents created by the colonialists.

#### China's Economic, Trade Relations With South Korea Develop Rapidly

The third hot issue of diplomacy is China's relations with East and West Europe. In the early 1960's, Deng said, we had expected a powerful, independent, united West European community which could be influential and play a positive role in international affairs. Over the past two years, changes have taken place in the political system of some East European countries. As these are their internal affairs, we will not make indiscreet comments. We respect the choice of the people of East European countries. We will continue to maintain and develop friendly contacts with these countries and their peoples. We do not wish to see any incident that may harm our traditional friendship with these countries (referring to official contacts between East Europe and Taiwan).

The fourth hot issue is the relations with Korea, Israel, and South Africa.

Regarding China's relations with South Korea, Deng said: We should wait for diplomatic relations, but we can rapidly develop economic and trade relations. Deng continued: As always, we support the peaceful reunification program proposed by the DPRK. It is time for foreign troops to withdraw from South Korea. We respect and support the DPRK's application for UN membership after an agreement reached with South Korea. Now we will only develop economic and nongovernmental contacts with South Korea. This is a major principle. We will never break our promise or abandon our original position. We are willing to do more work to bring about peaceful reunification of Korea.

#### Different Policies Adopted for Israel, South Africa

On the question of Israel, Deng said: Israel should be recognized as a nation and a country. Similarly, the State of Palestine should also be recognized. We recognize Israel. Israel has also adhered to its position that there is only one China in the world. In all the previous disputes at the United Nations over China's legitimate rights, Israel voted in favor of China. In my opinion, diplomatic relations with Israel will be established in light of the Middle East situation. According to estimates by diplomatic figures in Beijing, a communique on diplomatic relations between China and Israel is likely to be issued later this year.

Deng said: China does not have any political, economic, or cultural contacts with South Africa. This is correct. We will consider bilateral contacts only when the South African authorities have given up their apartheid policy. Naturally, South Africa should also sever its political relations with Taiwan.

#### G-7 Summit Inviting Gorbachev To Attend

OW0506155691 Beijing XINHUA in English 1507 GMT 5 Jun 91

[Text] London, June 5 (XINHUA)—U.S. President George Bush has accepted the attendance by Soviet President Mikhail Gorbachev at the coming Group of Seven (G-7) summit in London on July 15-17.

According to a BBC radio report today, Bush has told Prime Minister John Major that Gorbachev would be invited to the summit of seven industrialized nations, including the United States, Japan, Germany, France and Britain.

London will host the summit and an invitation would be issued by British Prime Minister Major to the Soviet leader.

Gorbachev is expected to ask the West at the meeting to provide a package of aid to help the Soviet economy.

The best the Soviet Union could expect from the G-7 summit was said to be a commitment from the West to study the best way to give aid.

#### Soviet Union, Cuba Discuss Supply Agreements

OW0406183191 Beijing XINHUA in English 1533 GMT 4 Jun 91

[Text] Havana, June 4 (XINHUA)—Soviet [as received] and Cuba have discussed the failure of the Soviets to comply with bilateral agreements guaranteeing the supply of Soviet products to Cuba this year.

The Cuban news agency AIN reported yesterday that a delegation grouping representatives of Soviet food industry and agricultural sectors and headed by A.K. Krivenko, president of the export company "Prodintorg," recently visited Cuba.

The two parties analyzed the current prospects of bilateral trade, the failure of the Soviet Union to comply with the accords, and the necessity of supplying the goods as soon as possible.

They also reviewed proposals and mechanisms to resolve the problems registered this year and stabilize trade in 1992, the source said.

"Prodintorg" is in charge of importing Cuban sugar and of exporting to the island food products such as butter, canned meat, condensed and powdered milk, sunflower oil and cheese.

The majority of Soviet products due to be imported this year have not been shipped to Cuba yet, except for petroleum. Cuba was forced to adopt an austerity policy and food ration owing to the virtual suspension of trade with East European countries and the increasing economic embargo imposed by the United States.

#### Chen Yaobang Addresses World Food Council

OW0606074591 Beijing XINHUA in English 0351 GMT 6 Jun 91

[Text] Helsinki, June 5 (XINHUA)—Chinese Vice Minister of Agriculture Chen Yaobang called here today for more attention to agricultural problems despite a sustained development in world agriculture.

Speaking at the 17th ministerial session of the World Food Council (WFC), Chen pointed out the unfavorable factors in the world agricultural development, such as widening regional differences, increasing number of

people suffering hunger and malnutrition, more and more heavier burden on agriculture caused by the rapidly growing population, more unfavorable trade terms on farm products for most developing countries.

The Chinese minister said that integrated strategic measures should be taken, coupled with solutions to other social and economic issues.

The World Food Council may play an active role in this regard, he added.

Chen called for harmonizing the relations in the world agricultural trade, saying that the stalemate of the six-year-long Uruguay Round negotiations on agricultural trade should be broken as soon as possible, otherwise it will be harmful to the disputers and most of the developing countries.

He also appealed to the international community to provide more effective development assistance, and to combine efforts in speeding up long-term economic growth with those in alleviating the existing hunger and poverty.

In addition, the minister briefed about the agricultural situation in China to delegates of the meeting. Last year, China's agriculture saw a bumper harvest with the total grain output reaching 435 million tons, record high in China's history, he said.

The output of other farm products also registered increases at different levels. This bumper harvest could be attributed to favorable weather conditions, but more importantly to China's continuous commitment to the policies of opening to the outside world, and to the effective solution to problems stemmed from the reform in past years, he said.

He said that there are problems in China's agriculture, such as the weak infrastructure and development potential, so China also must do its best to carry out the policy of putting agriculture as the foundation of national economy, and further strengthen and boost agriculture.

#### United States & Canada

#### Continued Calls for Renewal of MFN Status

#### Li Peng Statement

OW0606010491 Beijing BEIJING REVIEW in English No 20, 20-26 May 91 pp 6-7

[Text] The economic and trade ties between China and the United States are one of the pillars of Sino-American relations; China hopes the United States will renew its most-favoured-nation (MFN) status to China, said Chinese Premier Li Peng.

Li made the remarks on May 9 in Beijing while meeting with Roger Sullivan, president of the US-China Business Council, and Donald Anderson, Sullivan's successor.

During the two-hour talks, Li said that his government and people have always attached importance to Sino-US relations, including bilateral economic and trade ties.

Any far-sighted statesmen would understand that the restoration and development of bilateral relations are in the common interest of the people of the two countries, the premier said.

The US Congress will decide on China's MFN status on June 3. Li pointed out that China's basic attitude towrds this is that it will make every effort to achieve the best result while preparing itself for the worst. If the United States suspends the MFN status to China or adds conditions, both China and the United states will be the losers, and the economy in Hong Kong and other regions will be severely affected.

Such a situation is what the Chinese side does not want to see, Li said. Should it happen, he added, Sino-American relations would be seriously impaired. American industrial and business interests in China would lose a potential huge market.

The premier noted that the suspension of the MFN status would also do harm to China's reform and opening to the outside world.

But, should China's MFN status be suspended, the country's reform and opening will continue as usual as it is a basic state policy drafted according to China's particular needs.

During the meeting, Sullivan said that he has exchanged views with leaders of various Chinese departments during his stay and his impression is that China is sincere in improving and developing its ties with the United States.

He said that his council does not want to see US-China relations harmed, and the extension of China's MFN status is also in America's own interests.

Meanwhile, Wu Jianmin, a Chinese Foreign Ministy spokesman, called the MFN treatment between the two countries a "cornerstone in Sino-American economic and trade relations." It benefits both, but is not a unilateral favour bestowed by one side to the other.

Wu was answering an American correspondent's questions on US Under-Secretary of State Robert Kimmitt's recent visit to China and on China's attitude to the MFN status issue. Kimmitt came to China for political consultations.

Wu said that the mutual offering of MFN treatment between China and the United States benefits both countries.

In 1979, the total Sino-US trade volume was only US\$2.45 billion; but the figure rose to US\$11.76 billion in 1990, he said.

Quoting a Chinese saying that "one palm cannot clap," Wu said, "the rapid growth of Sino-American economic and trade relations is obviously based on mutual interests."

Cancellation of such treatment will not only affect China's exports to the United States and US exports to China, but also harm the interests of American consumers at home and American investors in China, as well as the economy in Hong Kong, Wu said.

Also, the US economic relations with the Asia-Pacific region, which remains the most dynamic region in the world economy, will be affected, he said, adding that China's role in the region is "self-evident."

The spokesman pointed out that China will not accept conditions attached to the extension of the MFN status.

Attempts to make the Chinese government change its policies by exerting pressure will not succeed, he said. "China's policies, based on the fundamental interests of the Chinese people, will not be changed because of external pressure."

"We are unwilling to see the deterioration of Sino-US relations, but that does not depend on China alone," he said. "If such a situation does occur, there will be nothing to be afraid of, and China is prepared for it."

However, China always attaches importance to its relations with the United States, he added, hoping that "by placing their fundamental interests above everything else, China and the United States will surmount their differences in social systems and ideologies to gradually improve and develop bilateral relations on the basis of the three Sino-US joint communiques.

#### Spokesman Cited

OW0606121191 Beijing BEIJING REVIEW in English No 21, 27 May-2 Jun 91 pp 5-6

[Text] China hopes the United States will consider the long-term interests of the two countries and settle the most-favoured-nation (MFN) issue in a purdent and proper manner, said Duan Jin, a spokesman for the Foreign Ministry.

American President George Bush said on May 15, "I want to see MFN for China continue, and I am making a strong pitch for it."

"I look at the importance of China as a country. We don't want to isolate China." he continued.

China and the United States have granted MFN to each other since 1980. Under the American law, the president has to make a decision on the extension of China's MFN every year, and then Congress votes on his decision within 60 days from July 3, when the annual term of MFN expires.

The MFN status gives Chinese goods exported to the United States the same tariff treatment as those received by the 180 other countries.

Revoking the status will lead to a dramatic rise in the prices of Chinese exports of America.

Products from China now account for one-third of the American toy market. 10 percent of the footwear market and 15 percent of the imported clothing market. A price rise will hurt local comsumers.

Ending the MFN status will also close Chinese markets to American exports. Last year, US exports to China totalled US\$4.8 billion. Among those to be adversely affected would be American wheat growers, whose 1990 sales approached US\$1 billion; commercial aircraft manufacturers, for whom China has become a dependable US\$500 million a year market; and phosphate fertilizer manufacturers who consistently sell one-sixth of their entire annual output to China.

At the same time, it will deal a heavy blow to Hong Kong. About 70 percent of American imports from China are shipped through Hong Kong.

Therefore, the Chinese Foreign Ministry spokesman urged the United States to handle the issue prudently for a long-term point of view.

As for future Sino-American relations, he said, so long as China and the United States abide by the principles as stipulated in the three communiques between the two countries, bilateral ties can be improved and developed.

China has been doing this and will continue to do so, the spokesman said, adding that he hopes the United States will do the same.

#### Unconditional Extension Urged

HK0606100191 Beijing LIAOWANG in Chinese No 20, 20 May 91 p 44

[Article by Shi Lujia (2457 7627 0163): "Never Do Anything Harmful to Sino-U.S. Relations"]

[Text] From Capitol Hill, Washington D. C., lately there have frequently come some statements, which are completely out of tune with improvement and development of Sino-U.S. relations. Seizing the opportunity of deliberating the issue of extending most-favored-nation [MFN] treatment to China, some American congressmen deliberately complicated the issue by creating all kinds of "reasons" and erected barriers to the extension of MFN treatment to China, and, moreover, they are attempting to interfere in China's internal affairs. This arouses people's close attention and vigilance.

These American congressmen claimed that trade between China and the United States was imbalanced, that China "exports products turned out by the inmates of reform-through-labor farms," "sells nuclear technology," and that its human rights conditions are not up to U.S. standards, in an attempt to make these justifications for attaching conditions to extension of China's MEN treatment.

Citing facts, Chinese departments concerned have solemnly pointed out: These accusations are completely unreasonable and inconsistent with the facts. The imbalanced trade between China and the United States was mainly caused by the different methods used in calculating goods transiting Hong Kong and products shipped into China for processing purposes. According to statistics provided by the Chinese side, China has a trade deficit rather than a surplus. True, American exports to China have dropped considerably in recent years but there are many reasons for this state of affairs. One important reason is the U.S. imposition of economic sanctions on China and its tightening of controls over export of technology to China. On the so-called issue of "exporting products turned out by the inmates of reformthrough-labor farm," the Chinese Ministry of Economic Relations and Trade has reaffirmed that it has never allowed and approved the export of such products. As far as the sale of weapons and nuclear technology is concerned, China has consistently adopted a serious, prudent, and responsible approach. Neither does it favor, encourage, or engage in nuclear weapons proliferation nor help other nations develop nuclear weapons. The project of nuclear cooperation between China and Algeria is completely for peaceful use. We believe that those who respect the bare facts will be able to understand and accept these explanations given by the Chinese side.

When it comes to the issue of human rights, socialist China can say without the slightest guilty conscience: It attaches importance to humanity and human rights. Not only does China protect the most basic human rights, first of all, the people's right to survival and the nation's rights to independence and development, but it also ensures that the people enjoy extensive and full political, economic, social, and cultural rights in real life. Obviously, it is completely unreasonable to obliterate the fact that China attaches importance to and ensures human rights, obstinately impose American concepts of values and human rights on China, and further accuse China of not respecting human rights. It is furthermore a violation of political general knowledge to handle political and economic relations between different states using ideology and values as the criterion. This practice is of great harm to the peaceful and friendly relations between different nations and should be eradicated.

However, some American congressmen insist on linking numerous trumped-up problems to the MFN issue and threaten China with cutting off or restricting MFN treatment. Therefore, people have to think that these people are using the MFN card to bring pressure to bear on China. Nevertheless, it must be understood that China is pursuing an independent and peaceful foreign policy and no external forces can subdue China.

It must be pointed out that the MFN treatment of China by the United States is mutually beneficial. It is true that cutting off MFN for China will adversely affect China but it also will not benefit the United States. Mark Fleet, director of the Asian-Pacific Affairs Office of the Washington-based U.S. Chamber of Commerce, pointed out not long ago: To U.S. industrial and commercial enterprises and businessmen, China is a very important country, "because China is a market with huge potentials;" if the United States cuts off MFN for China, this will have serious consequences. Not only will there be a big drop in the bilateral trade but there will also be retrogression in economic and political relations between the two countries, thus harming their overall relations Warren Williams, president of the U.S. Chamber of Commerce in Hong Kong, also pointed out: Cutting off MFN for China will result in "several decades of retrogression" in Sino-U.S. relations, and this will be "not in the interest of the United States." These warnings of Americans of insight are issued on the basis of actual conditions and are worth deep reflection by the American side.

It must also be pointed out: After experiencing a difficult period two years ago, Sino-U.S. relations have now just taken a turn for the better thanks to concerted efforts of the governments and peoples of China and the United States. It is precisely at this moment that some American congressmen blackmailed China by making use of the MFN issue. What are their actual intentions? China cherishes highly its friendly relations with the United States and hopes that the American side will set the interests of the whole above everything else and no longer do anything harmful to Sino-U.S. relations. It must be borne in mind that the development up to this day of the relations between the two countries, including economic and trade relations, has not come easily. Once reversed, it would be more difficult to restore them. Retrogression in relations between the two big countries of China and the United States will not only directly harm the interests of the peoples of the two countries but also surely have an adverse effect on the international situation.

What is needed now is that the White House authorities will wisely overcome obstructions, make a correct policy decision in correspondence with the common interests of the peoples of the two countries, and unconditionally extend China's MFN treatment.

# **Envoy Urges Cooperation on Environmental Issues**

OW0606081091 Beijing XINHUA in English 0549 GMT 6 Jun 91

[Text] Washington, June 5 (XINHUA)—Chinese Ambassador to the United States Zhu Qizhen today called for close cooperation between the two countries on environmental protection.

Speaking at a ceremony marking world environmental day, Zhu said: "Environmental protection is now a basic national policy of China, centering on prevention and on combining a healthy environment with economic and social development."

"Improving the environment is an enormous undertaking which calls for the enhancement of people's environmental awareness and the common effort of people throughout the world to combat pollution." He said: "China is willing to cooperate with governments and peoples all over the world to create a sound global environment.

"It is our sincere hope that China and the United States will continue the cooperation, and work closely together in the area of environmental protection, and contribute to the common cause of preserving a healthy and sound environment for the benefit of all mankind."

Tina Hobson, executive director of "Renew America", a U.S. environmental clearinghouse which co-sponsored tonight's event with the Chinese Embassy, said the organization aimed to strengthen ties between U.S. and Chinese environmental protection workers.

More than 200 Americans attended the event which was also held in honor of winners of the national environmental achievement awards. These were given by a group of 28 U.S. environmental protection organizations to American citizens with outstanding contributions in environmental protection.

#### Jiang Zemin Meets American Businessman

OW0606105991 Beijing XINHUA in English 1043 GMT 6 Jun 91

[Text] Beijing, June 6 (XINHUA)—Chinese Communist Party General Secretary Jiang Zemin met with Trammell Crow, chairman of the American Trammell Crow International Inc., here today.

They had a friendly conversation during the meeting.

#### Journal Terms U.S. Recession 'Complex Crisis'

OW0506225991 Beijing BEIJING REVIEW in English No 20, 20-26 May 91 pp 10-13

[Text] The current economic recession, as in the past, is a complex crisis caused by many factors related to surplus production. It is a general norm that a continuous negative growth of the actual gross national product (GNP) in two successive quarters is interpreted as an economic recession.

In the fourth quarter of 1990, the U.S. GNP declined by 2 percent compared with the previous quarter, and it continued to drop by 1 percent in the first quarter of this year. From last October to February, the index of overall U.S. industrial production fell for five months in a row. In last November, it dropped by 1.7 percent, the biggest drop since December 1982. During this period, the utilization of capacity in manufacturing sectors decreased from 82.5 percent to 78 percent, the lowest point in the past eight years. Many manufacturing sectors showed decreased profits and faced a shrunken production. The automobile industry, in particular, was in bad shape; its output in the fourth quarter of 1990 decreased by 24 percent.

Last year saw a drastic increase in bankruptcy filings. Firms declaring bankruptcy in the United States reached 60,000 with arrears totalling U.S.\$70 billion. Since last August, about 1,500 companies have closed down each week. In terms of the amount of debt that was in arrears and the number of enterprises that declared bankruptcy, the situation was the most serious since World War II.

In addition, employment fell off. Before the overall economy was mired in a quagmire of recession, many enterprises began to lay off employees. According to the United States Labour Department, the unemployment rate rose from 5.2 percent last May to 6.5 percent in February. Umemployment figures rose from 6 million to 8 million. The semi-employed people surpassed 5 million and the figure continues to rise. It means that one person in every 19 lost his job or is in a state of semi-employment.

Recession not only damaged material production, but also stunned the service industry thought to have strong resistance capacity to production fluctuation. Banking and retailing businesses have been most seriously harmed as a result of the recession.

Last year, the U.S. banks met a record U.S.\$30 billion in loans that could not be returned, four times that of 1982. The number of bank failures reached 170, much more than that recorded in 1982.

Retailing became inceasingly sluggish. The growth rate of overall retail volume decreased from the average 3 percent in the 1980s to 1 percent in 1990. In the fourth quarter of last year, the retail volume fell by 4 percent.

The civil aviation industry slumped, taking tremendous financial losses. Among airline corporations that filed for bankruptcy was Pan America, a 70-year-old company. Financial and insurance firms, stock exchanges, advertising, legal and accounting firms were also hurt by recession.

Of jobless "white collar" employees, many are managers, brokers, financial experts, lawyers, accountants and senior functionaries. They account for about 60 percent of the total number of the unemployed people at the close of last year, a 10 percent increase compared with 1982.

#### Reasons

Following the most serious post-war economic crisis from 1980 to 1982, the US economy experienced a comparatively long period of growth. Why has an economic recession arisen now? The reasons are many and are complicated but one is a sharp contradiction between supply and demand.

The contradiction between production and marketing is particularly manifest in construction and retail sectors, which saw a blind development in the 1980s. Affected by sluggish rise in income and increased inflation, actual purchasing power of working people dropped, resulting in a sharp reduction in demand for housing and consumer goods.

The debt factor, which once suported US economic growth, has now hindered economic activity. By the

middle of last year, government bonds and private debts had reached US\$12.800 billion, 2.5 times the country's GNP. For a period, the situation created a false prosperity in which domestic demand was strong, consumption greatly increased and imports grew by a big margin. But such a debt-stimulated economic prosperity did not last. Now, the federal debts have surpassed US\$3,000 billion, and annual payment of interest amounts to US\$150 billion. In order to pay bond interest, the US government vied with private enterprises for funds in monetary markets. This led to a rise in interest rates, which affected investment and production. Huge debts made the government unable to stimulate the economy with an expansionary financial policy. Non-financial enterprise debts reached US\$3,500 billion. The funds used to repay the principal and interest by enterprises accounted for 60 percent of their after-tax income in 1990, while the proportion was only 40 percent at the beginning of the 1980s. This weakened the investment capacity of the enterprises. Individual debts amounted to about US\$3,600 billion, and the purchasing power of many families was almost exhausted because of debts. In addition, the reduction in actual income caused them to defer buying consumer goods, including houses and cars.

In order to cool down an overheated economic operation and check inflation, the Federal Reserve Board began to pursue a monetary retrenchment policy in 1988 and has raised discount rate for many times since then. Subsequently, commercial banks increased their preferential interest rates, which climbed to 11.5 percent in 1989. This restricted individual consmer demand and the investments in fixed assets of enterprises, further slowing down economic growth. The high interests rate caused less individual consumer demand and investment in fixed assets, both responsible for economic growth. As a result, the US economy continued to decline and moved into recession in the fourth quarter of 1990.

#### Unfavourable Factors

The US economy, though in trouble, still maintains some favourable factors. At present, inflation rate is not very high, giving the Federal Reserve Board room to readjust monetary policy and lower interest rates. Because the exchange rates of US dollar are soft and the economic situation of its principal trade partners, Japan and Germany, is better, the export products and especially manufactured goods maintain momentum. In the past 10 years, the capabilities to readjust economic recession and oppose the price increase of oil have been strengthened. Many manufactured goods are not over stocked. Agricultural production continues to grow.

However, some unfavourable factors exist.

First, the consumers' and investors' confidence continues to weaken. Consumers don't want to increase spending and this year many corporations have cut their production investment plans. The actual expenditure of the whole manufacturing industry has decreased by 1.3 percent.

Second, the federal budgetary deficits have continuously expanded and the US administration lacks the financial means to prevent the economic recession from deepening. According to official estimates, the federal budget deficit in fiscal year 1991 will amoung to US\$300 billion or to US\$350 billion, the highest in history. If the expenditure of the Gulf war is included, the budget deficit will be higher. The unprecedented budget deficit will prevent the Bush administration from using an expansionary financial policy to push the economic recovery just as the Reagan administration did in the early 1980s.

Third, the flow of foreign capital into the United States has thinned out and even a part of it has been withdrawn. Because the world deposit rate has decreased and Japan and Germany have sharply reduced capital export, there is a global shortage of capital. Meanwhile, because the interest rates of other Western countries are higher than that of the United States, the outflow of capital from the United States will increase, making the US shortage of money more keenly felt and economic recovery more difficult.

Fourth, the crisis of banks and savings and loan businesses has aggravated economic recession. It is estimated that the number of bankrupt banks this year will be 230, involving US\$90 billion in debt, both figures higher than last year. The economic recession aggravates the bank crisis, which, in turn, promotes the economic recession. Even if the monetary crisis does not deepen, the US banking circles will take more care of and strictly limit credits. A study report of last year shows that about one third of US banks have reduced credit funds, thus slowing the economic recovery.

Fifth, the sluggishness of real estate and building industries further worsens. The present office buildings are equal in number to those projected as needed for the future ten years. The number of married families decreases every year and the demand for housing has been reduced. This not only sharpens the surplus and depression of housing construction, but also affects recovery of consumer confidence. It also constitutes a great danger to the banks which provide loans for real estate investments.

Finally, the room to expand export is narrowed. Some economists note that the US recession may lead to a global economic depression. Their view is not baseless. At present some developed countries such as Canada, Britain and Australia have fallen into recession. The economic growth of other developed countries may be slow this year. The economies of many developing countries are sluggish. Under such circumstances the US export growth this year will be lower than that of the two previous years, though it can maintain momentum to a certain extent.

Therefore, the present recession is probably not the gravest one since World War II, but it is not a "mild and short one" as the US official sources predicted.

#### Impact

The current recession will have a major bearing on the political and economic life in the United States as well as Washington's Foreign relations.

First of all, the working people in the United States will be most affected by the recession. Massive unemployment has lowered people's living standards and widened income gap, increasing social problems.

Although the current unemployment rate of 6.5 percent is lower than the November 1982 level of 10.8 percent, the damage inflicted upon the unemployed and their families by the current recession is no less serious than that of the last recession. Among the unemployed in the early 1980s, many were young people who didn't support families, but the majority of the jobless today are adults with families to support. For them, being out of job means a loss of income and welfare benefits. Mishaps such as children dropping out of school and a breakup of families can arise from unemployment.

Furthermore, today it is more difficult for jobless workers to qualify for welfare. In the state of Michigan, for example, during 1980-1982 one could sign on the dole as long as he had worked for a company for 14 weeks. But now the time limit has been extended to 20 weeks. Therefore, fewer people are eligible to be on the dole. It is estimated that in the last recession, 76.8 percent of the unemployed could receive unemployment compensation, while today only one third of them can do so. In the initial stage of recession, the jobless workers might find new temporary jobs, but with the deepening of recession, the number of the jobless snowballs and job opportunities are shrinking. Many company giants that used to employ workers for life have begun to fire workers and the number of life employment companies has dropped from 30 five years ago to eight today. The International Business Machines still insists that it will adhere to the life employment system, but recently it changed many full-time positions to half-time, rendering in effect many of its workers semiemployed. According to other reports, the average unemployment span this year will be nine months, almost two times the 1982 figure of 4.8 months. The longer the unemployment time drags on, the more the working people suffer.

Furthermore, the recession will widen the income gap between the rich and the poor. The Congressional Budget Office estimates that over the past decade low-income families that account for one fifth of the population have in fact witnessed a 5 percent decrease in their disposable income while the high-income families that also account for one fifth of the population have enjoyed a 33 percent increase in their disposable income. This widened gap will inevitably exacerbate social problems.

The economic recession will also make it more difficult for the U.S. government to eliminate the huge budgetary deficit, the No. 1 headache besetting the U.S. economy for many years. The administration and Congress have been resolved to wipe out the deficit. Last October the

two branches made a new budget plan that demanded a cut of U.S.\$500 billion in the deficit in the next five years through increased revenue and reduced spending. For the current fiscal year, the deficit must be reduced by U.S.\$40 billion. This plan seems unlikely to materialize now, because the recession has forced the federal government to increase welfare spending, such as aid to child-raising families, food stamp programme and medicare. Furthermore, with production declining, companies and individual citizens have witnessed decreases in income, resulting in a reduction in the federal government's income tax revenue. This will only enlarge the budget deficit. The burden of military spending on the Gulf war further compounds the deficit situation.

Especially noteworthy is the fact that the recession will bring about changes favourable to Japan and Germany but unfavourable to the United Stats in the balance of world economic power. This will complicate relations among the three economic giants. The current recession is not synchronic in the West. While a recession is racking the United States, Japan and Germany continue to witness economic growth, which will be over 3 percent this year. Even if a recovery occurs in the United States in the next few years, the speed will not be as fast as that of Japan or Germany. This will constitute a major factor in the interrelationships among the three nations. At present, the United States finds it very hard to co-ordinate economic policies with Japan or Germany as each is going its own way. Washington expects Bonn and Tokyo to stimulate their domestic demand and increase imports from the United States to help it out of the recession. But Japan and Germany refused to satisfy U.S. demands on the grounds of domestic economic difficulties.

Aside from trade frictions, interest rates and capital have become the focus of fresh conflicts between the three nations. With their economic might increasing, Bonn and Tokyo will step up efforts to win a say and a right to decide in world economic affairs [passage as received] in competing with Washington.

Finally, the recession or low economic growth rate will inevitably reduce the demand in the United States and other Western nations for imports from developing nations. Western countries will attempt to lower the prices of primary products and even reinforce trade protectionism. This will further deteriorate trading conditions for developing nations and reduce their export earnings. The U.S. government may also cut its official developmental aid to developing countries or attach austere economic and political conditions to the aid under the pretext of domestic financial difficulties. American commercial banks will not only cut domestic loans and credits but also reduce loans to developing nations and refuse to cancel debts of the debtor countries. Moreover, the contest between the United Stats and other developed nations for capital will lead to an increase of interest rates for international loans, thus aggravating the debt burden for developing nations. Therefore, developing nations' efforts to achieve economic growth will be thwarted and a recession may occur in some of thse countries. The debt situation will

worsen, and the possibility of another debt crisis cannot be ruled out. The worsening of the economic situations in developing countries, in turn, will add to the economic difficulties in the United States and the rest of the Western world, thus creating a vicious circle.

#### Soviet Union

#### Gorbachev Delivers Nobel Prize Speech

OW0506180991 Beijing XINHUA in English 1309 GMT 5 Jun 91

[Text] Stockholm, June 5 (XINHUA)—Soviet President Mikhail Gorbachev appealed today for Western economic assistance to the Soviet Union for the perestroyka drive to ensure a smooth new world order, according to TV reports monitored here.

When delivering his Nobel peace speech in the city hall of Oslo, Norway, Gorbachev suggested that Western aid was essential because failure in Soviet reforms would jeopardize the prospect of entering a new peaceful period in world history.

"If perestroyka fails, prospects for entering a new peaceful period in world history will disappear, at least in the foreseeable future," said Gorbachev, who is on a 22-hour brief visit to Norway to receive his 1990 Nobel Prize for Peace.

The speech was delayed since December 10 last year because Gorbachev was haunted by domestic issues.

"To me, it is self-evident that if Soviet perestroyka succeeds, there will be a real chance of building a new world order," Gorbachev told an audience of 900 guests.

"Recently we have been seriously rethinking the substance and role of our economic cooperation with other countries, above all major Western nations," he said.

He said the Soviet Union foresees a fundamentally new phase in international cooperation.

During the hour-long speech, the Soviet president acknowledged the concerns of many Western leaders. He said the Soviet Union must stabilize its "democratic process" within a "new constitutional order."

#### Supreme Soviet Chairman Stresses Self-Reliance

OW0606021991 Beijing XINHUA in English 0122 GMT 6 Jun 91

[Text] Moscow, June 5 (XINHUA)—"If our country does not exert itself, no foreign financial aid would help," Soviet Parliament Chairman Anatoliy Lukyanov stressed here today.

Lukyanov made the remark at a press conference in the Kremlin today when he spoke of Western economic aid to his country. He said that the key is whether these countries are ready to provide such aid. The matter concerns to a great extent not loans but their participation in such Soviet programs as the production of food and consumer goods, defense industrial conversion to civil use and the convertibility of the rouble.

Lukyanov noted that a new version of the union treaty has already been completed and the Soviet president sent it today to all members of the drafting committee for signature, after which it will be submitted to the central and republican parliaments. It might be signed within two months, he added.

"This version of the union treaty defines more clearly the powers of the union and republics and more efficiently resolves the issues of their property and taxation systems," he said.

#### Northeast Asia

#### Meeting Held To Promote PRC-Japan Investment

OW0506142491 Beijing XINHUA in English 1237 GMT 5 Jun 91

[Text] Beijing, June 5 (XINHUA)—Chinese and Japanese investment promotion organizations met here today for the first time since such organizations were established in the two countries last year.

Over 60 Japanese Government officials and businessmen as well as representatives of Chinese investment promotion organizations attended today's meeting at the Great Hall of the People.

Chinese Premier Li Peng, Japanese Prime Minister Toshito Kaifu, Chinese Vice Premier Tian Jiyun, Bo Yibo, adviser to the China-Japan Investment Promotion Commission, and Noboru Takeshita, former Japanese prime minister all sent congratulatory messages to mark the opening of the investment promotion conference.

At the meeting today, Sheng Shuren, vice minister of the State Planning Commission, spoke of China's current domestic economic situation, the major points of the Eighth Five-Year Plan (1991-1995) and the country's priorities for foreign investment. He Chunlin, deputy head of the group in charge of foreign investment under the State Council, outlined China's open policies.

With support from the governments of both countries, the Chinese and Japanese investment promotion organizations were respectively established early last year. The Japanese institution is called the Japan-China Investment Promotion Organization, whereas the Chinese one is named the China-Japan Investment Promotion Commission.

The organizations were set up to introduce China's investment environment, promote Japanese investment in China, help solve practical problems for Sino-Japanese joint ventures and promote understanding between the two countries.

Since its establishment, the China-Japan Investment Promotion Commission has helped promote Japanese investment in China by sponsoring a series of seminars for exchanging information and management experience.

According to the Ministry of Foreign Economic Relations and Trade, from 1979 to 1990, China approved a total of 1,300 projects with Japanese investments. The value of the agreements involving Japanese capital amounted to 3.1 billion U.S dollars. This has made Japan the second largest investing country in China after the United States.

China ratified 109 Japanese investment projects during the first three months of this year, up 91 percent over the same period last year. The actual investment was 94 million U.S. dollars, up by 160 percent over the same period last year.

According to officials from the Chinese ministry, the Japanese investment used to concentrate on tourism and service trades and some other small industrial processing projects. In recent years, however, the projects involving advanced technology and infrastructure production have grown. Five of the investment projects, each involving over 100 million yuan, have gone into operation, and most of them are running well.

Meanwhile, contracts have been signed between the Japanese firm NEC and Beijing and Tianjin corporations to produce large scale integrated circuits and telephone keyboards. Currently under negotiation are a series of investment projects which involve advanced technology.

Shen Jueren, vice minister of Foreign Economic Relations and Trade and chairman of the China-Japan Investment Promotion Commission, said that during the Eighth Five-Year Plan period, the Chinese side would cooperate more closely with their Japanese counterparts. He added that the Chinese side hopes to promote Japanese investment in Shanghai's Pudong area, Tianjin, Dalian and Qingdao Cities as well as other areas along the Yangtze River.

#### **Pyongyang Hosts Banquet for NPC Delegation**

OW0506133791 Beijing XINHUA Domestic Service in Chinese 2342 GMT 4 Jun 91

[By reporter Li Nengqing (7812 5174 6153)]

[Text] Pyongyang, 4 Jun (XINHUA)—The Supreme People's Assembly of the DPRK held a banquet at the Mansudae Assembly Hall in Pyongyang this evening to welcome a delegation from China's National People's Congress [NPC] led by Peng Chong, vice chairman and secretary general of the NPC Standing Committee.

Yi Chong-ok, member of the Political Bureau of the Workers Party of Korea [WPK] and vice president of the DPRK, presided over the banquet this evening. Yang Hyon-sop, chairman of the Standing Committee of the DPRK Supreme People's Assembly, delivered a speech.

Chairman Yang Hyon-sop said: The current visit by the Chinese NPC Delegation fully shows the ever developing Korean-Chinese friendly relations. He said: Exchanges and cooperation between Korean and Chinese supreme organs of state power have also proceeded smoothly. We are very happy about this.

He said: Under the correct leadership of the CPC Central Committee with the respectable Comrade Jiang Zemin at its core, the fraternal people of China have achieved stability and unity, and are working hard to fulfill the Outline of the 10-year Program and the Eighth Five-Year Plan for National Economic and Social Development. We sincerely wish that the Chinese people, under the CPC's leadership, will score greater achievements in the struggle to build socialism with Chinese characteristics and to realize national reunification.

He said: Not long ago, in order to break the stalemate created by the South Korean side's application for UN membership, the Korean government took the initiative and decided to apply for UN membership. He said that even after its entry into the United Nations, Korea will continue to work toward one seat in the United Nations under an official name of a country.

Vice Chairman Peng Chong delivered a speech, saying: The profound friendship between the two parties and the peoples of China and Korea originated from our common and unswerving struggle to resist imperialist aggression, safeguard national independence, and defend world peace. It originated from the common efforts to build socialism and achieve the peaceful reunification of the nation. It has put down deep roots in the people's hearts and has shown good vitality. We sincerely hope that Sino-Korean friendship will be constantly strengthened, developed, and passed down from one generation to the next.

Touching on the question of Korea's reunification, Vice Chairman Peng Chong said: The Chinese people are very concerned about the just cause of the Korean people in achieving the independent and peaceful reunification of the fatherland. For a long period of time, the WPK and the Korean government have waged unremitting efforts to ease tension on the Korean Peninsula and achieve peaceful reunification of the fatherland. The Chinese people resolutely support President Kim Il-song's reasonable suggestion and position on the establishment of the Confederate Republic of Democratic Korea. We believe that the question of Korea's reunification should be solved through dialogues and consultations between the northern and southern sides of Korea without any foreign interference. We firmly believe that the Korean people will gain final victory in their struggle for reunification of the fatherland.

He said: I sincerely hope that this visit will actively contribute to promoting friendship between the peoples and legislatures of the two countries.

Paek In-chun, vice chairman of the Standing Committee of the Korean Supreme People's Assembly, Cha Pongchu, vice minister of the Korean Foreign Affairs Ministry, and Zheng Yi, Chinese ambassador to Korea, attended the meeting.

#### Wang Fang Meets DPRK Security Group

OW0606062191 Beijing XINHUA in English 0214 GMT 6 Jun 91

[Text] Beijing, June 6 (XINHUA)—Chinese State Councilor Wang Fang met Huang Jing-taig, vice-minister of public security of the Democratic People's Republic of Korea (DPRK), and his party at the Great Hall of the People today.

Both sides expressed the hope for further development of the friendly ties between the people of the two countries and enhancement of the exchange and cooperation between the two countries' security organs.

The guests arrived here on June 4 at the invitation of the Chinese Ministry of Public Security. They are also scheduled to tour Hohhot, Shijiazhuang and Taiyuan.

#### Southeast Asia & Pacific

#### Reportage on Yang Shangkun's Visit to Indonesia

#### Arrives in Jakarta

OW0506121491 Beijing XINHUA in English 1022 GMT 5 Jun 91

[Text] Jakarta, June 5 (XINHUA)—Chinese President Yang Shangkun arrived here by special plane this afternoon, starting a five-day state visit to Indonesia.

Yang is here as a guest by invitation from his Indonesian counterpart President Suharto.

China and Indonesia resumed diplomatic relations last August. The two countries established diplomatic relations in 1950, but ties were suspended in 1967.

The plane carrying the Chinese president and his entourage landed at the Halim Perdanakusuma Airport at 15:30 (local time). The Chinese president was warmly greeted at the airport by Indonesian Foreign Minister Ali Alatas, Governor of Jakarta Wiyogo Atmodarminto and the capital's regional military commander Major General K. Harseno. Yang was presented with a garland by Indonesian youths.

Yang is the first Chinese president to visit Indonesia in 28 years. The late Chinese President Liu Shaoqi came here in 1963.

Indonesian President Suharto visited China last November, three months after the two countries normalized diplomatic relations. Chinese Premier Li Peng also visited Indonesia last August at Suharto's invitation. Among those accompanying President Yang on the visit are Qian Qichen, Chinese Foreign Minister and State Councillor, Xu Xin, deputy chief of General Staff of the Chinese People's Liberation Army, Xu Dunxin, vice-minister of Foreign Affairs, Wang Wendong, vice-minister of Foreign Economic Relations and Trade, and Zhao Yutian, director of President's Office. All of the Chinese leaders traveled together on the same plane.

In a written statement released at the Jakarta airport, Yang said that since the resumption of diplomatic relations between China and Indonesia last August, bilateral relations have made smooth progress and the areas for mutual cooperation are constantly expanding thanks to the efforts made by both countries.

He said that during his visit, he would renew his friendship with President Suharto and exchange views with him on bilateral relations as well as international and regional issues of common interest.

Yang added, "I am convinced that my current visit will further enhance the mutual understanding and friendship and contribute to long-term stability and growth of the good-neighborly relations between our countries."

President Suharto and Vice-President Sudharmono greeted president Yang at Jakarta's Independence Square, where Suharto later held a welcoming ceremony for President Yang.

Suharto is scheduled to host a state dinner in Yang's honor this evening.

#### Meets President Suharto

OW0506122691 Beijing XINHUA in English 1203 GMT 5 Jun 91

[Text] Jakarta, June 5 (XINHUA)—Chinese President Yang Shangkun paid a courtesy call on Indonesian President Suharto and his wife Tien Suharto at the capital's Independence Palace this afternoon.

President Yang said he was very delighted to have an opportunity to visit this beautiful country, expressing his thanks to Suharto, the Indonesian Government and people for their warm welcome.

President Yang said China and Indonesia, as close neighbors, have a long history of friendly contacts. Yang said, "The purpose of my current visit is to promote the traditional friendship and continued growth of friendly relations between the two countries."

President Suharto said that he was very happy to meet President Yang once again. "Since my visit to China last year, I have been looking forward to your visit. Although our welcome to you is simple, our hearts are warm," he added.

The two leaders reviewed the history of friendly exchanges between their countries.

Yang spoke highly of Indonesia's achievements made under the leadership of Suharto, and wished Suharto good health and a long life.

The two presidents' meeting proceeded in a relaxed and harmonious atmosphere, said a Chinese Foreign Ministry official who was present at the occasion.

#### 'Satisfied' With Ties

OW0506181891 Beijing XINHUA in English 1801 GMT 5 Jun 91

[Text] Jakarta, June 5 (XINHUA)—Chinese President Yang Shangkun said here today that China is satisfied with Sino-Indonesian relations, which have grown rapidly since the resumption of their diplomatic ties last August.

Yang made the remarks in a cordial and friendly meeting with Indonesian Vice-President Sudharmono and his wife, who paid a courtesy call on the Chinese president at the state guesthouse here this evening.

According to a Chinese Foreign Ministry official who was present at the occasion, Yang stressed that China has always attached great importance to its ties with Indonesia and other ASEAN countries.

"During my stay here, I'm going to discuss with President Suharto ways to further our friendly cooperation, and learn more about Indonesia's experience in its national construction," Yang said.

Sudharmono said that President Suharto, the Indonesian Government and people had long expected Yang's visit. He described the visit as of great importance, since it is the first one to a Southeast Asian country by Yang in his capacity as Chinese president. Indonesia sets great store by Yang's visit, he added.

The vice-president said he believes that Yang's visit will promote mutual understanding, friendship and bilateral relations between the two countries.

#### Feted at Banquet

OW0506191191 Beijing XINHUA in English 1854 GMT 5 Jun 91

[Text] Jakarta, June 5 (XINHUA)—Indonesian President Suharto and visiting Chinese President Yang Shangkun pledged here today their respective country's efforts to further develop the friendship and cooperation between the two countries, while calling for the establishment of a new international order.

Speaking at a state banquet given in honor of the Chinese president, who arrived here this afternoon for a five-day state visit, President Suharto said he believed that the close friendship and cooperation between Indonesia and China "will be a positive contribution to the establishment of peace and stability in the Asia and Pacific region in particular, and in the world in general."

Noting that close cooperation has been established between the two countries in many fields in a short period of time since their diplomatic ties were restored, Suharto said that Jakarta and Beijing were committed to developing their relations by adhering strictly to the ten principles of Bandung, which both countries "jointly reaffirmed in 1955 with a full sense of responsibility."

"I believe that we can mutually benefit from the past historical ties between our two nations and countries, and we can capitalize on them to fill new pages for the future and set new goals, and with new deeds too," Suharto said.

"We must continue our efforts to foster such friendship and cooperation from time to time," the president said.

Suharto expressed his belief that President Yang's current visit would strengthen the bonds of friendship and expand the cooperation between Indonesia and China, especially in the economic and development sectors.

The president also said that Indonesia highly appreciates the position adopted by China in supporting the efforts to find a comprehensive solution to the Cambodian problem. Thus, it will open wider possibilities to countries in this region to enjoy peace and to build a better, more advanced, more prosperous and more thriving life.

In reply, President Yang said, "We are glad to see the smooth growth of our bilateral relations since the restoration of our diplomatic ties in August 1990."

"Facts have proved that friendship and cooperation between our two countries fully conform to the fundamental interests of our two peoples and also exert a positive influence upon peace and stability of this region," he said.

"I am deeply convinced that with our joint efforts, our friendly relations and cooperation will develop continuously and steadily and the friendship between our peoples will last for generations to come," Yang continued.

The visiting Chinese president also spoke highly of the achievements made by the Indonesian people both at home and in international affairs under the leadership of President Suharto.

What was worth mentioning in particular was that the Indonesian Government has made unremitting efforts to push forward the process of a comprehensive, just and reasonable political settlement of the Cambodian issue and has achieved positive results, Yang stressed.

Referring to the establishment of a new international political and economic order, President Yang said that in China's opinion, this new order should contain the following main elements:

First, all countries, big or small, strong or weak, rich or poor, are to be treated as equals and have the right to participate in the discussion and handling of international affairs:

Second, all countries have the right to choose their own social system, economic model and road of development in light of their respective national conditions. They should respect each other's sovereignty and no country has the right to interfere in the internal affairs of others;

Third, international disputes should be settled through peaceful negotiations and in an equitable manner without resort to the use of threat of force:

Fourth, international economic relations should reflect the principles of equality and mutual benefit.

The Chinese president stressed that China values the important role ASEAN has played for maintenance of peace and stability in the region and it is ready to exchange views with Indonesia, ASEAN and other countries on matters concerning the establishment of a new international political und economic order and join them in a concerted effort to foster a new type of international relations and promote world peace and development.

President Yang also stressed that China will take more solid steps aimed at deepening reform and opening wide to the outside world and further expand its economic cooperation with other countries.

#### **Banquet Speeches Noted**

OW0506222591 Beijing XINHUA Domestic Service in Chinese 1641 GMT 5 Jun 91

[By reporters Du Zhenfeng (2629 2182 0023), Zhu Yunlong (2612 0061 7893), and Zhao Xinkao (6392 2450 5072)]

[Text] Jakarta, 5 Jun (XINHUA)—Indonesian President Suharto and visiting Chinese President Yang Shangkun unanimously emphasized here this evening: The efforts of China and Indonesia to maintain their friendly and cooperative relations not only conforms to the interests of the people of the two countries, but also are conducive to peace and stability in the Asia and Pacific region, and in the world in general.

Suharto gave a state banquet this evening in the State Palace here in honor of President Yang Shangkun.

Suharto said in his banquet speech: "Although it has been only one year since the two countries restored diplomatic relations, they have carried out close cooperation in that short period. The two countries could achieve this because of the long-standing and well-established historical ties between the people of our two countries. Besides, the cooperation between us benefits both sides. The friendship and cooperation between us are built on a healthy foundation—the five principles of peaceful coexistence. These principles emphasize that the relations between nations must be founded on the principle of mutual respect for sovereignty and mutual noninterference in each other's internal affairs. We both are determined to develop our relations in accordance with the 10 principles of the Bandung Conference. Our

two countries took part in the formulation of the 10 principles of the Bandung Conference in 1955 with a high degree of responsibility."

He said: "I believe that we can draw useful experiences and lessons from the history of our bilateral relations, and write a new chapter of our bilateral relations with a new objective and at a new pace."

He said: "I also believe that maintaining close friendly and cooperative relations between our two countries and between the people of the two countries will help achieve stability and peace in the Asia and Pacific region, and in the world in general. For this reason, it is necessary for both sides to continue making efforts and constantly strengthen our friendly and cooperative relations."

Suharto said: "Indonesia appreciates the efforts made by China to support a comprehensive solution to the Cambodian problem. If a comprehensive solution to that problem is achieved, it will open wider possibilities to countries in this region to enjoy peace and to build a better, more developed, more prosperous, and happier life."

He said: "I believe that Your Excellency's current visit will further strengthen the friendship between the Indonesian people and the Chinese people and expand the cooperation between the two countries, especially in the economic and construction sectors. Judging from the potential and future opportunities existing between our two countries, I also believe that the sincere friendship and mutually beneficial cooperation between Indonesia and China and between the people of the two countries will contribute to greater peace, progress, and prosperity in the world."

President Yang Shangkun in his speech spoke highly of the achievements made by Indonesia in developing the economy and raising the people's living standards under President Suharto's leadership, as well as the important role played by Indonesia in international affairs. He said: "What is particularly worth mentioning is that the Indonesian Government has made unremitting efforts to push forward the process of a comprehensive, just, and reasonable political settlement of the Cambodian issue and has achieved positive results."

On how to establish a new international political and economic order, President Yang said: "In my opinion, this new order should contain the following main elements: First, all countries, big or small, strong or weak, rich or poor, are to be treated as equals and have the right to participate in the discussion and handling of international affairs; second, all countries have the right to choose their own social system, economic model, and road of development in light of their respective national conditions. They should respect each other's sovereignty and no country has the right to interfere in the internal affairs of others; third, international disputes should be settled rationally through peaceful negotiations and in an equitable manner without resort to the use of force or

threat of force; and, fourth, international economic relations should truly reflect the principles of equality and mutual benefit."

Yang Shangkun emphasized: "We value the important role ASEAN has played in maintaining peace and stability in the region and are willing to exchange views with Indonesia, ASEAN, and other countries on matters concerning the establishment of a new international political and economic order. We also are willing to join them in a concerted effort to establish a new type of international relations and promote world peace and development."

On China's domestic situation, Yang Shangkun said: "After summing up experience, we will take more solid steps to deepen reform and open wider to the outside world, and further expand our economic cooperation with other countries."

On relations between China and Indonesia, he said: We are glad to see the smooth growth of our bilateral relations since our diplomatic ties were restored in August 1990. Facts have proved that friendship and cooperation between our two countries fully conform to the fundamental interests of our two peoples and also have a positive influence on peace and stability of this region. I am deeply convinced that with our joint efforts, our friendly relations and cooperation will surely develop continuously and steadily, and the friendship between our peoples will last for generations to come.

Before the banquet began, President Suharto and President Yang Shangkun exchanged gifts.

After the banquet, President Suharto and his wife accompanied President Yang Shangkun to a literary and art performance.

#### Yang Visits Monument

OW0606072891 Beijing XINHUA in English 0715 GMT 6 Jun 91

[Text] Jakarta, June 6 (XINHUA)—Chinese President Yang Shangkun today laid a wreath on the National Heroes Monument of Indonesia, at the Kalibata Cemetery on the outskirts of Jakarta.

He was accompanied by Major General Syaukat, military secretary to the indonesian president, and Major General K. Harseno, commander of the Jakarta Garrison.

After the ceremony, Yang Shangkun wrote in a visitors' book: "The fallen commanders and soldiers, who laid down their lives for the independence of Indonesia, are immortal".

Among those present were Chinese State Councillor and Foreign Minister Qian Qichen, Deputy Chief of General Staff of the Chinese People's Liberation Army General Xu Xin, Vice-Minister of Foreign Affairs Xu Dunxin, Vice-Minister of Foreign Economic Relations and Trade Wang Wendong, Director of the President's Office Zhao Yutian as well as Chinese Ambassador to Indonesia Qian Yongnian.

#### Indonesian Reportage

WA0506140991

For reportage on the visit by Yang Shangkun, president of the People's Republic of China, to Indonesia, including reports on his talks with Indonesian President Suharto, please see the Indonesia section of the 5 June East Asia DAILY REPORT and subsequent issues.

#### Anniversary of Sino-Philippine Relations Marked

OW0506171291 Beijing XINHUA in English 1546 GMT 5 Jun 91

[Text] Manila, June 5 (XINHUA)—The 16th anniversary of the establishment of diplomatic ties between the Philippines and the People's Republic of China was marked at a cocktail reception given by the Association for Philippines-China Understanding (APCU) in Makati, Metro Manila, tonight.

Huang Guifang, Chinese ambassador to the Philippines, said that China and the Philippines are two friendly neighboring countries, and peoples of the two countries should enhance their broader and deeper understanding through further friendly cooperation in the future.

"This is not only in the fundamental interests of our two countries and two peoples, but also in the interests of safeguarding Asian and world peace," Huang said.

Romualdo Ong, director general of the Office of the Asia Pacific Affairs of the Philippines' Department of Foreign Affairs, noted that that contacts between the two peoples could date back many centuries ago although the diplomatic relations between the two countries were established only 16 years ago.

The two countries have established strong bilateral relations of mutual benefits in the economic, cultural, scientific and educational fields. Ong said, hoping that the two friendly neighbors will join hands in the future for the stability, security and peace in the Asia and Pacific region.

APCU Presidant Manuel Calanog, appreciating the arrival of an eight-member delegation from the Chinese People's Association for Friendship With Foreign Countries (CPAFFC) and the Chinese Association for International Understanding (CAFIU), stressed that "our policy of enhancing the friendly ties between the Philippines and China on a people-to-people basis has been strengthened by exchanges of such delegations."

The diplomatic relations between the two countries were officially set up on June 9, 1975.

Some 100 APCU leaders and Filipino friends were present at tonight's cocktail reception.

#### West Europe

#### Purchasing Mission To Spur Trade With EC

OW0606074691 Beijing XINHUA in English 0642 GMT 6 Jun 91

[Text] Hague, June 5 (XINHUA)—The Chinese purchasing delegation has brought to Europe a one-billion-dollar purchasing list, and has signed several contracts of 360 million U.S. dollars with some countries, said the delegation head.

Wei Yuming made this remark at a reception here this evening.

In his welcoming speech, Wei said that the move clearly displayed China's willingness to promote and develop economic and trade relations with European Community countries.

However, Wei stressed that whether the onebillion-dollar purchasing list would be clinched needs cooperation and efforts from both sides. He called on EC members to take the opportunity and intensify their competitiveness.

More than 100 guests who attended the reception included officials from Holland's Ministries of Foreign Affairs, Economy and Transport and Waterways, as well as chambers of commerce, big corporations and banks.

Van Der Stee, president of the Netherlands Council for Trade Promotion, said at the reception that Netherlands businessmen are greatly interested in the mission and believed that it would promote understanding and friendship between the two sides.

Of the 360-million-dollar concluded contracts, millions of dollars reportedly has gone to the Netherlands which, next to Germany, is China's second largest trade partner in Western Europe.

The Chinese mission arrived in the Netherlands on Wednesday after ending visits to Belgium, the first stop of its seven-nation trip to Europe. During the three-day visit in the Netherlands, the delegation is scheduled to meet government officials and businessmen, and visit some large-scale enterprises.

#### Political & Social

#### Jiang Zemin Writes Inscription for Book Series

OW0606092491 Beijing Central Television Program One Network in Mandarin 1000 GMT 5 May 91

[From the "National News Hookup" program]

[Text] The Inner Mongolian Publishing House has published a collection of books on party building to mark the 70th anniversary of the founding of the CPC. General Secretary Jiang Zemin wrote the inscription for the collection: Actively Study Theories On Party Building, Vigorously Strengthen Party Building.

The collection consists of 21 volumes containing 2.5 million characters. The collection closely relates the guiding Marxist theory on party building to the present situation in party building, and examines and explains major theoretical and practical problems in party building. It contains theories, experience, models, and work methods; pays special attention to transforming experience into theory; and takes into consideration the feasibility of the theories in practice, making itself practical teaching material on party work for the vast number of party members, cadres, and party workers.

#### Wang Zhen, Li Tieying at Education Forum

OW0506091091 Beijing XINHUA Domestic Service in Chinese 0953 GMT 1 Jun 91

[By RENMIN RIBAO reporter Hua Quanzhong (5478 0356 1813) and XINHUA reporter Zhao Wei (6392 5898)]

[Text] Beijing. 1 June (XINHUA)—Nearly 200 people from the capital's educational and theoretical circles attended a forum at the Great Hall of the People today to discuss how to implement Comrade Jiang Zemin's instructions on strengthening education on modern and contemporary history and on the national condition. Those attending the forum generally held that educating young people in the modern and contemporary history of China and the national condition is not only a top priority task in strengthening ideological and political work among young people at present but also an important matter bearing on the training of successors for socialist modernization. We must persevere in this task.

Those attending the forum included Wang Zhen, Li Tieying, Hu Qiaomu, Sun Qimeng, and Lei Jieqiong.

At the forum, Vice President Wang Zhen pointed out: I fully support the letter Comrade Jiang Zemin wrote to Comrades Li Tieying and He Dongchang. Conducting extensive education on patriotism among people throughout the country, especially among young people and children, in order to enhance their national dignity, self-confidence, and sense of pride is of the utmost importance for training successive generations of qualified communists. The entire party and all of society should conscientiously implement these important

instructions issued by General Secretary Jiang Zemin. Education on patriotism should be blended with regular teaching and various social activities; it should be conducted throughout all the school years of young people and children. Patriotism reflects distinctive characteristics of the times. In today's China, loving the motherland means ardently loving the socialist PRC [zai dang dai zhong guo ai zu guo jiu shi yao re ai she hui zhu yi de zhong hua ren min gong he guo 0961 3981 0108 0022 0948 1947 4371 0948 1432 2508 6008 3583 1947 4357 2585 0031 5030 4104 0022 5478 0086 3046 0364 0735 0948]. It is necessary to carry out education in patriotism and education in ardently loving the party and socialism as well as in upholding the Four Cardinal Principles and opposing bourgeois liberalization and peaceful evolution in order to enable large numbers of young people to acquire communist ideals, a communist world outlook, and communist views on life.

At the forum, Li Tieying, member of the CPC Central Committee Political Bureau, state councilor, and minister of the State Education Commission, said: The letter from Comrade Jiang Zemin reflects the party Central Committee's concern and expectations for education and growth of young people. It is of great guiding significance for promoting the sound development of education in our country; for training new socialist disciplined men with lofty ideals, morality, and culture; and even for building spiritual civilization throughout the society. He said: Educating young people in the modern and contemporary history of China and the condition of the country is a strategic requirement of socialist modernization and a top priority task in strengthening ideological and political work. As socialist builders and successors of our country, young people have to conscientiously study history and grasp the condition of their own country; they should particularly study the modern and contemporary history of China and grasp its actual conditions. An understanding of history and the national condition is the starting point and basis for knowing, pondering, and solving our country's social problems. Historical experience proves that once the effort to conduct education in history and the national condition is relaxed or ignored, historical and national nihilism and the notion of worship and blind trust in foreign things take advantage of the opportunity to sneak in. Ideological confusion and political deviation might occur. At present, and for a fairly long time to come in our history, the situation of struggle at home and abroad will be extremely complicated. The struggle between international hostile forces and us to win over the younger generation will continue for a long time. We should understand the great significance and urgency of Comrade Jiang Zemin's instructions from the elevated strategic point of opposing "peaceful evolution" and training successors to the socialist cause. He said: In conducting education in modern and contemporary history of China, we should pay particular attention to illuminating the inexorable law of development of Chinese society and expound the relationship between revolution and Marxism.

A basic fact in the modern and contemporary history of China is that the Chinese people waged surging epic struggles to save the nation from peril and oppose class oppression during the 80 years from the Opium War to the May 4th Movement, but all such struggles failed. History after the May 4th Movement and the CPC founding shows that once under the leadership of the Communist Party and with Marxist guidance, the Chinese people's revolutionary struggle against imperialism and feudalism embarked on the road of victorious development, thus achieving state independence and national liberation. We should explain the truth to students through such historical facts that "without the Communist Party there would be no New China" and that "only socialism can save China."

Li Tieying said: In conducting education on the national condition, we should uphold the Marxist comprehensive and historical viewpoint and adopt a realistic analytical attitude. We should truthfully tell our young people the advantages and disadvantages of our country in undertaking the modernization drive and the challenges and opportunities before us, so that they will be confident of the bright future of the motherland, foster lofty ideals and great aspirations, and, at the same time, look reality in the face and base themselves on actual conditions.

He pointed out: The entire party and all of society should conscientiously implement Comrade Jiang Zemin's instructions in order to contribute the younger generation's education. Young people should be educated in history and the national condition, as a kind of basic education from childhood. It should continue through all of their primary school, middle school, and college years. Classroom teaching should be organically combined with day-to-day ideological and political work among students, their after-school activities, and their participation in social practice so that education in history and the national condition will be lively and fruitful. The State Education Commission, departments in charge of education in various localities, and various types of schools at various levels all should work out specific plans and measures in this regard.

He pointed out: Education in history and the national condition is also basic education for all people, which should be conducted not only in the schools but throughout society. It is also very necessary to hold makeup sessions for working people, especially working young people, on history and the national condition.

He expressed his hope that propaganda, cultural, press, publishing, film, and other relevant departments, as well as large numbers of educational workers and all comrades who concern themselves with the healthy growth of the coming generation, would take action, conscientiously implement the guidelines of Comrade Jiang Zemin's instructions, persevere in doing so for a long time, and create a favorable social environment for training successors to the socialist cause.

In his speech at the forum, Hu Qiaomu, member of the Standing Committee of the Central Advisory Commission, said: It is extremely important to strengthen education of young people in modern and contemporary history and the national condition. This is not only the work of educators but that of society as a whole. He said: In educating young people about the national condition, we should deal not only with favorable and unfavorable factors but, more importantly, with the struggle being waged by the party and the nation to revitalize the nation and undertake socialist modernization. At the same time, we should also enable them to understand the international environment in which we are now.

Others present at the forum also pointed out: Comrade Jiang Zemin's letter to responsible comrades of the State Education Commission is of great significance for promoting the sound development of education in our country, for training new socialist disciplined men with lofty ideals, morality, and culture, and for building spiritual civilization throughout society. People from all walks of life in society should take action and do their share for the healthy growth of the coming generation and for strengthening the building of socialist spiritual civilization.

Deng Liqun, Tao Dayong, Liu Dalian, Zang Boping, Hou Renzhi, Yang Yunyu, and other noted personages attended the forum.

Today's forum, sponsored by the State Education Commission, was also attended by responsible persons of some relevant ministries and commissions as well as mass organizations.

#### Li Ruihuan Stresses Marxism, Mao Thought

OW0406114891 Beijing Central Television Program One Network in Mandarin 1110 GMT 3 Jun 91

[Part four of the 10-installment special series "Mainstay" marking the 70th anniversary of the founding of the CPC]

[Excerpts] [Passage omitted] Technology is progressing and science is developing. Marxism-Leninism-Mao Zedong Thought not only has not become outdated, but is constantly opening up paths to understanding the truth in the course of social practice. To this point, Comrade Li Ruihuan, standing committee member of the Political Bureau and member of the Secretariat of the CPC Central Committee, said:

[Begin Li Ruihuan recording] Marxism is the summation of experiences gained from the international workers' movement, a great achievement of the human being in spiritual civilization, and is the scientific knowledge used by the working class and its political party in leading the revolution and construction to success. China's success in all aspects in the past 70 years is, fundamentally speaking, the success of Marxism. China also has to rely on Marxism to overcome various kinds of dangerous situations and difficulties while advancing and has to achieve the anticipated goals in the future. Comrade Mao Zedong said: We should be able to

master and apply Marxism. The purpose for mastering it is to apply it. He also said: The reason that we regard the theory as important is merely because that it can provide the guidance to our actions. The integration of theory and practice is a self-requirement of Marxism, as well as where the vitality of Marxism lies. The integration means, in a sense, application, perseverance, and development. Mao Zedong Thought is the result of combining Marxism-Leninism with the concrete practice in China, as well as the perseverance and development of the fundamental tenets of Marxism in China. Any doubts about and wavering in the fundamental tenets of Marxism are wrong, because they deny the need for the existence of Marxism. It is also wrong to ignore changes in real life and fail to combine the fundamental tenets of Marxism with the study of practical problems, because such acts also deny the significance of the existence of Marxism. No matter what difficulties confronting us in the future historical process, the Communist Party of China should adhere to Marxism and always regard Marxism-Leninism-Mao Zedong Thought as our theoretical basis in unceasingly studying new situations, solving new problems, and summing up new experiences to promote further the great cause of building socialism with Chinese characteristics. [end recording] [passage omitted]

### Song Ping Lectures Party Cadres on CPC

OW0506204291 Beijing Central Television Program One Network in Mandarin 1000 GMT 5 Jun 91

#### [From the "National News Hookup" program]

[Text] To mark the 70th anniversary of the founding of the CPC, some central leading comrades are giving party lectures to department- and bureau-level cadres of organs under the Central Committee during the period before and after 1 July. The central leading comrades are giving the lectures at the request of the Work Committee for Organs under the Central Committee. Song Ping, member of the Standing Committee of the Political Bureau of the CPC Central Committee, gave the first party lecture, which he delivered in Zhongnanhai's Huairen Hall this afternoon. [Video shows closeup shots of Song Ping speaking, wide shots of an audience of over 1,000 people in a hall, and some closeup shots of Wen Jiabao]

He emphasized: CPC members in leading organs must set even higher and stricter demands on themselves if they are to accomplish the great task of attaining the second-step strategic objective of national economic and social development; stand the test of holding office, the test of reform and opening to the outside world, and the test of opposing peaceful evolution; improve the party membership in the leading organs; and build up the leading organs. Leading organs at all levels, especially central organs, hold a particularly important position in the socialist modernization drive. If the cadres with party membership in the leading organs are politically firm, honest, highly efficient, and in constant contact with the masses, they will set a good example for grass-roots units to follow.

Song Ping pointed out: The CPC members in the leading organs should strictly guide their words and deeds by the CPC Constitution and the Guiding Principles for Inner-Party Political Life. Therefore, they must do three things: 1) Firm up their communist ideals and socialist faith in the course of performing the tasks of the present stage; 2) Uphold the purpose of serving the people wholeheartedly and persistently wage an anticorruption struggle; and 3) Conscientiously promote the party spirit, take a Marxist stand, and have a Marxist world outlook.

Song Ping said: The party work in offices is very important. It is an important component part of party building and an absolutely indispensable and inflexible task. The party work in the central organs is even more important. We should pay more attention to educating and managing party members, and set even stricter political and ideological demands on them. We should strictly enforce the rules for inner-party life, strengthen supervision over the cadres with party membership, seriously conduct criticism and self-criticism, and create a strong political atmosphere in the party. Party organizations and the cadres handling party affairs in party and government organs should love their work and boldly perform their duties well, as this conforms to the party spirit.

Prior to the lecture, Wen Jiabao, alternate member of the Secretariat of the CPC Central Committee and secretary of the Work Committee for Organs Under the Central Committee, said: Members of the Standing Committee of the Political Bureau of the CPC Central Committee will give party lectures and personally take a hand in the ideological education of the leading cadres with party membership. This will have a positive effect on the party.

#### Zou Jiahua Inspects Hubei Flood Control Works

HK0606025891 Wuhan Hubei People's Radio Network in Mandarin 1130 GMT 4 Jun 91

[Excerpts] While touring the Jianghan Plain in Hubei on 3 June to check on the work to prevent floods, Vice Premier Zou Jiahua stressed: To guard the people's normal life and protect their lives and property and reduce to a minimum the losses incurred by floods, we must take comprehensive measures to prevent and control floods. [passage omitted]

While in Gongan County, Zou Jiahua, who was accompanied by Governor Guo Shuyan, attentively listened to reports by leading comrades of the province, Jingzhou Prefecture, and Gongan County. Zou Jiahua fully reaffirmed the work done by Hubei in preventing floods and highly praised the selfless devotion displayed by the broad ranks of cadres and the masses in the flood-diversion area and their achievements in preventing floods.

While talking about the importance of flood control work in the Jianghan Plain and in the middle reaches of the Chang Jiang, Zou Jiahua said: The Jianghan area, together with east China [words indistinct], is an important area for China's economic development. We have important cities and agricultural and industrial bases

here. If anything goes wrong here, for instance, if the area is inundated or we fail to hold back the floods, it will cause great losses to the people and unfavorably impact economic development. Therefore the central authorities are very much concerned about the development in this area. As you comrades have said, the major factor endangering the development in this area is floods. This is not a problem we have at present, but there have been many fleods in the past. To prevent and control floods, we must take comprehensive measures. We must take immediate measures, as well as considering long-term measures. We must take measures for both the middle and lower reaches and the upper reaches. In addition, we must take measures to both prevent and control floods. If floods fall upon this area, we must have measures to fight or reduce them. All these measures constitute a systematic flood control complex." [passage omitted]

#### Ding Guangen Writes on United Front Work

HK0506052791 Beijing RENMIN RIBAO in Chinese 23 May 91 p 3

[Report: "Ding Guangen's Article, carried by DANG HAN, Stresses Strengthening United Front Work"]

[Text] Ding Guangen, alternate member of the CPC Central Committee Political Bureau, member of the Secretariat, and director of the United Front Work Department, published an article entitled "Make Great Efforts To Strengthen United Front Work, Strive for the Fulfillment of the Second-Phase Strategic Objective" in this year's fifth issue of DANG JIAN [PARTY BUILDING] magazine. In the article, he systematically elaborates on the principles and tasks for united front work in the 1990's, the building of a united front work contingent of high political and professional caliber, and the reinforcement of the United Front Work Department stressing party building.

The article points out: The Seventh Plenary Session of the 13th CPC Central Committee forwarded the secondphase strategic objective of persistently building socialism with Chinese characteristics and raising the overall quality of the national economy to a new level. This is a grand and magnificent cause that has a crucial bearing on socialist China's future and destiny. Only by mobilizing the strength of the entire people of all nationalities throughout the country; rallying and bringing into play all positive factors; fully arousing the initiative and creation enthusiasm of all classes, all strata, all parties, all mass organizations, and all patriotic people of the Chinese nation; and building the broadest possible united front can we fulfill all the tasks specified by the second-phase strategic objective through making joint and concerted efforts and fulfill the great historical mission of reunifying and regenerating the motherland.

The article says: The fundamental task in united front work in the 1990's is to unite with all the forces that can be united at home and abroad, mobilize all positive factors, resolutely carry out the party's basic line of "one

center, two basic points," and serve the maintenance of a stable and united political situation; the promotion of socialist modernization construction, reform, and opening up; the improvement of socialist democracy and the socialist legal system; and the realization of national reunification on the basis of "one country, two systems."

The article points out: In order to fulfill the United Front Work Department's glorious tasks, our basic work guideline is to firmly hold high the banner of patriotism and socialism and maintain unity in the broadest scope for the purpose of stability, reform, and development; to firmly carry forward socialist democracy and seriously carry out the principle of "long-term coexistence, mutual supervision, faithfulness to each other, and sharing honor and disgrace"; to be consistent in strictly distinguishing and correctly handling the two types of contradictions which are different in nature; firmly carry forward the fine tradition of encouraging relf-education inside the united front; and firmly implement the line, principles, policies, and stipulations laid down by the central leadership; and strengthen and improve the CPC's leadership over the united front.

The article points out: The CPC leadership is the force at the core for advancing united front as a whole. To fulfill the United Front Work's tasks, Communist Party members should first play an exemplary role. Therefore, it is necessary to actually and effectively reinforce the CPC United Front Work Department stressing party building, including building the party's ideological, organizational, and work style.

#### Li Guixian Makes Inspection Tour in Anhui

OW0206133791 Hefei ANHUI RIBAO in Chinese 23 May 91 p 1

[By reporter Li Xiangmin (2621 4161 2404)]

[Text] Li Guixian, state councillor and governor of the People's Bank of China, came to our province for an inspection tour from 18 to 22 May. He expressed hope that Anhui would make further efforts for the stable development of agriculture; put industrial development in high gear; and invigorate commodity circulation and banking activities to develop the economy as quickly as possible.

During the inspection tour, Li Guixian listened to work briefings by the provincial party committee and government, the Chuxian prefectural party committee and administrative office, the Hefei city party committee and government, and banking institutions. He met with party committee secretaries, administrative commissioners, and mayors from various prefectures and cities attending a provincial rural work conference. He visited a number of industrial enterprises, including the Yangzi Refrigerator Plant, a bathtub factory, an automobile assembly plant, and the Quanjiao Diesel Engine Plant, as well as the National Synchrotron Radiation Laboratory at the Chinese University of Science and Technology, the Hefei Science, Technology, and Industry Park, and the Anhui Provincial Modern Television Technology

Research Institute. He called on veteran comrades, leading comrades of the provincial military district, and staff members and workers of grass-roots savings institutes and banks, and held discussions with people of from banking and business circles. In addition, he carried out wide ranging investigations with a view to stabilizing agriculture, developing industry, improving grain procurement and storage, promoting village and town enterprises, deepening reform, enlivening large and medium-sized enterprises, developing financial work, bringing the functions of banks into full play, and expediting developing the economy.

Li Guixian was once in charge of the provincial party committee of Anhui. This was his first visit to Anhui since he was transferred to work at the central level three years ago. He felt satisfied with our province's development and changes in these years. While being driven on the expressway from Chuxian to Hefei, Li was delighted when he saw the great sights along the road: New roads had been built, and many new houses constructed. After entering downtown Hefei, when the vehicle was passing by Shouchun Road, which opened in 1989, he said that the city had undergone such big changes that he could hardly recognize it. When meeting with comrades of Hefei City after seeing some places of this provincial capital, he said again that he was deeply moved, that the changes were considerable, and that he was very pleased. After visiting the Yangzi Refrigerator Plant, he praised the great accomplishments and quick development the plant had achieved in the past few years. He said that he had been here when the plant was in the initial stage of construction. At that time, he said, the plant was an empty place, but now it was in good shape, and this would have been impossible without a lot of effort. Commending the good spirit of the "Yangzi people," he said: The intention to do more things is good. It is good to push forward in work. What is wrong with faster development if conditions permit? Whether it is fast or slow cannot be judged by the situation in a single area. Our country is so big. Some areas are going faster, while others are slower. At the Quanjiao Diesel Engine Plant, he wrote the following inscription to encourage the plant: "Promote the quick development of your enterprise through reform and innovation." He urged the staff and workers to continue to advance courageously, saying: This spirit should be preserved, because it will not continue without such vigor. If you persist for another 10 years, there will be still greater changes.

During the inspection tour, he exchanged views with responsible comrades at the provincial and prefectural levels in our province, while emphasizing how to achieve stable development of agriculture and accelerate the pace of industrial development. He praised our province's attitude toward development and the arrangements for economic work. He pointed out: The last few years, you have done well in developing agriculture and have reaped a bountiful harvest every year, thus making contributions to the state. Agriculture is the foundation. Stability at both high and low levels depends on agriculture and grain. Now, with a

bumper harvest, you have more grain but you cannot send it out. This problem should be earnestly solved. He added: It is imperative to proceed with the procurement of grain and to store it well. You should neither let peasants suffer losses nor allow the stored grain to spoil. He stressed that no IOU's should be issued in this year's procurement of summer-harvested grain and oilseed because peasants want cash and they cannot use the IOU's to buy things. He urged banks to make funds available in every possible way to meet the needs of procuring summer-harvested grain and oilseed.

Li Guixian showed great concern about the development of village and town enterprises in our province. He said: Village and town enterprises require less investment, but can achieve quick results. They are also easy to adjust. If a product is not marketable, another product can be made instead. For this reason, we should go all out to develop village and town enterprises. Further, he said: Development of village and town enterprises can provide more job opportunities, promote the transfer of rural labor force from agriculture to industry, and give full play to the role of graduates of junior and senior middle schools. Development of village and town enterprises can also accumulate funds to support agriculture. When visiting the Yangzi Refrigerator Plant and the Quanjiao Diesel Engine Plant, he suggested that the work of making accessories and parts be assigned to other factories so that many other factories in the area can also thrive. To develop village and town enterprises, he stressed, there must be a proper way, and more financial support should be given to those village and town enterprises engaged in projects that require cooperation from others. In particular, he emphasized flexibility and efficiency in using funds.

At discussion meetings with bank presidents and managers and plant directors of big and medium-sized enterprises. Li Guixian seriously listened to their remarks and encouraged them to say what they had on their minds. From time to time, he chipped in to discuss and exchange opinions with them. This made those attending the discussion meetings feel that they could express their opinions in a straightforward manner when they were with the former secretary.

Comrades Lu Rongjing, Wu Changqi, and Zhang Runxia accompanied Comrade Li Guixian on different inspection trips. Comrades Fu Xishou and Yang Yongliang came separately to see Comrade Li Guixian. Other leading comrades participating in briefings and discussion meetings included Liu Guangcai, Zhao Baoxing, Wang Shengjun, Shi Lei, Shao Ming, and Wang Sheyun. Comrade Song Ming, director of the Anhui branch of the People's Bank, accompanied Comrade Li Guixian from beginning to end.

Li Guixian was warmly welcomed by the public wherever he went.

#### State Council Inspects Jiangxi Snail Fever Work

HK0406120891 Nanchang Jiangxi People's Radio Network in Mandarin 1000 GMT 2 Jun 91

[Excerpts] The State Council sent a seven-member inspection group, headed by Vice Agriculture Minister (Zhang Yanxi), to Jiangxi to discover how snail fever was combated. They have worked in Jiangxi since 27 May.

Governor Wu Guanzheng met and had an informal discussion with the group. Vice Governor (Su Huiguo) joined them in the inspection.

The inspection group visited Pengze, Yongxiu, and Nanchang Counties in the Poyang Hu region to inspect the project for killing oncomelania in the areas exposed to it and other projects for the same purpose.

The inspection group listened to the report made by the provincial government on the struggle against snail fever and visited various townships and towns to find out how the work to combat snail fever was carried on there.

The inspection group believed that Jiangxi had paid great attention to the struggle against snail fever and emphasized practical results, thus making fairly good achievements. Since the meeting on combating snail fever held in Wuhan in November last year, Jiangxi has further promoted the struggle in a down-to-earth manner and formulated a set of rules and regulations and methods for combating snail fever, which are suited to local actual conditions. Jiangxi has done many solid things in this respect. In particular, they integrated the struggle against snail fever with economic development and with their effort to shake off poverty, providing useful experience in combating snail fever in a new period. [passage omitted]

The inspection group is scheduled to leave Nanchang this evening.

#### Wu Xueqian, Qian Qichen at Tian Ding Funeral

OW0406143091 Beijing XINHUA in English 1337 GMT 4 Jun 91

[Text] Beijing, June 4 (XINHUA)—A funeral ceremony to pay last respects to Tian Ding, vice-president and secretary general of the Chinese People's Institute of Foreign Affairs and former Chinese ambassador to Pakistan, was held in the Beijing Hospital here today.

Tian died of heart attack on May 22 when accompanying the visiting Pakistan speaker on the tour, at the age of 63.

Memorial wreaths were sent by Chinese Premier Li Peng and leaders of other departments concerned, and by Pakistan Speaker Gohar Ayub Khan and Hasan Sarmad, charge d'affaires ad interim of the Pakistan Embassy bere.

Among the mourners present at the ceremony were Wu Xueqian, Wang Hanbin, Qian Qichen, and Hasan Sarmad.

After the death of Tian Ding, messages of condolence were received from Pakistan President Ishaq Khan, Prime Minister Mohammad Nawaz Sharif, Speaker Gohar Ayub Khan and Charge d'Affaires Hasan Sarmad.

# Shaanxi's Zhang Ze Dies in Xian 26 May

OW0206133591 Beijing XINHUA Domestic Service in Chinese 0424 GMT 1 Jun 91

[Text] Xian, 1 Jun (XINHUA)—Comrade Zhang Ze, a fine member of the Chinese Communist Party, a loyal proletarian revolutionary fighter, and chairman of the Shaanxi CPC Advisory Commission, died of illness on 26 May 1991 in Xian; he was 71.

Zhang Ze was born in Haicheng City, Liaoning Province. He participated in the "9 December" student movement in Beiping. In 1938 he joined the Chinese Communist Party. He served successively as director of the Youth Department and Organization Department of Laishui County, Hebei-Chahaer-Rehe Region; chairman of the Youth Federation of Yanan; secretary of the party committee and concurrently mayor of Ulan Hot, the capital of the Inner Mongolia Autonomous Region when this autonomous region had just been founded; secretary of the Committee of the Communist Youth League [CYL] of the Northeast Bureau of the CPC Central Committee; member of the Secretariat of the CYL Central Committee; and chief of the Mass Work Section of the General Office of the CPC Central Committee. After 1961, he successively assumed the posts of member of the Secretariat of the Shaanxi Provincial CPC Committee, secretary of the Shaanxi Provincial CPC Committee, and chairman of the Shaanxi Provincial Advisory Commission. He was a deputy to the First National People's Congress; a delegate to the eighth, 11th, and 13th party congresses; and a member of the 12th CPC Central Committee.

## Zhao Ziyang Rejects 'Humiliating' Job Offer

HK0506015491 Hong Kong SOUTH CHINA MORNING POST in English 5 Jun 91 p 11

[By Daniel Kwan and Chris Yeung]

[Text] Sacked Communist Party chief, Mr Zhao Ziyang has rejected a humiliating offer by party conservatives for his political comeback despite efforts made by Mr Deng Xiaoping to close the chapter on the June 4 killings.

Sources close to Mr Zhao's family said party elders had told the former general secretary he would be offered a new job as director of the party's Central Literature and Hisory Archives.

Although the post is currently held by a respected writer Xiao Qian, the offer was considered a "humiliation" and a major demotion to Mr Zhao.

A source said the offer was endorsed by Mr Deng's rival, Mr Chen Yun who chairs the Central Advisory Commission.

Mr Deng, who still spoke highly of the contribution of Mr Zhao to the party and government in the past, did not indicate his stance on the offer.

The source said Mr Zhao has turned down the consolation post on the grounds that he had done nothing wrong during the eight-week-long Beijing demonstrations two years ago.

The uncompromising former party boss reportedly told his family "the history of the People's Republic of China was a history of its party general secretaries, not its government heads, the prime ministers".

A source said the demotion indicated that rivals of Mr Deng were determined to undermine any chances for Mr Zhao to gain substantial political power.

He maintained Mr Zhao and his top aide, Mr Bao Tong would not be put on trial after investigations over the alleged incitement to the so-called counter-revolutionary rebellion in 1989.

However, Politburo Standing Committee member Mr Li Ruihuan told a delegation of Japanese visitors that the investigation of Mr Zhao's wrongdoings was still underway.

Mr Li was responding to questions made by a visiting delegation of the Japanese Democratic Socialist Party about the possibility of a political comeback by Mr Zhao after his three close aides—Mr Hu Qili, Mr Yan Mingfu and Mr Rui Xingren—returned to work last week.

Mr Li said: "The investigations of them have been completed. But Zhao Ziyang's case (of returning to work) is more complicated. If we are not cautious, there will be problems.

"The goal of China now is to maintain stability in order to achieve economic growth. We hope that the problem (of Zhao Ziyang) can be solved in a natural way in our course of seeking economic development," Mr Li said.

Last Saturday, the State Council named Mr Hu, Mr Yan and Mr Rui to vice-ministerial posts, representing major demotion.

The source said Mr Deng has succeeded in persuading the three to accept the offer, but failed to convince Mr Zhao.

The source added another reshuffle brokered by Mr Deng was that Mr Yuan Mu, director of the State Council Research Office, a government policy-making office, would step down next year.

Mr Yuan will be succeeded by Mr Wang Mengkui, a deputy director of the Economic Research Centre of the State Council.

Mr Yuan is expected to be transferred to the Communist Party School probably at the rank of a vice-principal.

It has been speculated for some time that Mr Yuan would be replaced for his close association with the

massacre as he had claimed that only 23 students were killed in Tiananmen Square two years ago.

### Dissident Amnesty Deal in Exchange for MFN

HK0606014491 Hong Kong HONGKONG STANDARD in English 6 Jun 91 p 1

[By Cheung Po-ling and S.L. Law]

[Text] Beijing plans to announce an amnesty for another batch of prominent dissidents after it is granted mostfavoured-nation [MFN] status by the United States.

Chinese sources said among those to be released was Bao Tong, a top aide of ousted party chief Zhao Ziyang.

Another is Li Mingqi, an undergraduate of Beijing University, who was arrested after addressing a crowd of students at an anti-government protest marking the first anniversary of the June 4 crackdown.

China will also allow families of dissidents to leave the country for reunions in a bid to ease Western pressure over the renewal of MFN status.

The news comes at a time when the U.S. Congress is discussing President Bush's recommendation to renew China's MFN status.

Sources said Mr Bao's release was imminent, particularly after the Chinese government rehabilitated three close allies of Mr Zhao—Hu Qili, Yan Mingfu, Rui Xinwen—by assigning them new jobs last month. Mr Bao, who was under investigation for his involvement in the prodemocracy movement, is under house arrest.

Sources said Mr Li, an economics students, was charged by Beijing Municipal People's Procuratorate in early March and school authorities were notified of the case.

His trial was postponed for several months for unknown reasons, but sources claim it was held up because authorities planned to free the student as part of a trade off for MFN status.

It is believed China has agreed on several lenient gestures to appease the U.S. State Department.

These include letting the families of six exiled dissidents leave the country for family reunions. Federation for a Democratic China spokesman, Lu Yang, yesterday welcomed the news.

"It is too cruel to let families separate because of political reasons," he said.

However, he added these were minor gestures, which did not suggest an overall improvement of China's human rights record.

#### Journalist Quizzed Over Book on Qin Benli

HK0606014591 Hong Kong SOUTH CHINA MORNING POST in English 6 Jun 91 p 11

[By John Kohut in Beijing]

[Text] Zhang Weiguo, the former Beijing correspondent of the defunct WORLD ECONOMIC HERALD [SHIJIE JINGJI DAOBAO], has been hauled in for questioning by police, who demanded that he hand over the manuscript of a book he was writing on Qin Benli, founder of the newspaper.

Zhang, released from prison last February after having spent 20 months in jail on charges related to his activities in the 1989 anti-government protests, said police interrogated him for a total of eight hours on May 29 and May 30.

Among other things, police asked to see what he had written about Qin Beli and his newspaper, the WORLD ECONOMIC HERALD, which earned a reputation as China's most outspoken journal before it was closed down by the authorities in May 1989. Qin died in April this year.

Although he did not object in principle to allowing them to see the manuscript, Zhang insisted that police return his confiscated prison diaries as a condition for giving them the material. So far they have refused.

Zhang also said he was kicked out of the Communist Party on May 18, but that he refused to sign papers acknowledging his expulsion. As he had not paid his party dues for 20 months while in prison, his membership had lasped long ago and Zhang believed it was pointless to go through the formality of expelling him. According to the rules, party membership is autonomatically cancelled after a member fails to pay dues for six months.

The police have given Zhang until June 15 to find a job. Otherwise, the authorities will assign him one. They have suggested, among other things, sending him to a petrochemical plant 75 kilometres outside of Shanghai, which would give him little opportunity for contact with foreigners. Zhang has asked to be given a job as a journalist, and that the authorities grant him at least half a year to find employment.

#### Dissident's Wife Says Prison Conditions Terrible

HK0506052091 Hong Koag HONGKONG STANDARD in English 5 Jun 91 p 8

[By S.L. Law]

[Excerpts] Hou Xiaotian, the wife of dissident journalist Wang Juntao who is serving 13 years in jail on counter-revolutionary charges, has accused the Chinese government of inhumane treatment of political prisoners.

The accusation coincided with a statement by the United States urging China to "heal the wounds" of the Tiananmen Square massacre by releasing dissidents imprisoned after the crackdown.

Ms Hou spoke out yesterday about the conditions of her husband's detention.

"I think the conditions are terrible," she said, accusing the government of psychological abuse by keeping her husband in solitary confinement.

"He could not speak to other prisoners, he could not listen to the radio and he could not watch television.

"In this condition any person will lose interest in fighting (for his cause), it will damage their mind, their thought and feeling," she said.

Ms Hou said Chinese people would never forget the 1989 military crackdown.

"Maybe a lot of young students lost their chance to study and maybe some people lost their sons, daughters and relatives.

"They will never forget June 4, especially in the universities," she said.

Ms Hou has sent a petition to the United Nations Human Rights Commission and the London-based human rights watchdog Amnesty International.

In the petition she described the treatment of political prisoners in China as appalling and urged the international community to exert pressure on China for their release. [passage omitted]

The Hong Kong Journalists Association issued a statement yesterday protesting against Beijing's imprisonment of Chinese journalists involved in the prodemocracy movement.

The association said they were arrested because they had exercised fredom of speech, an internationally recognized right.

#### 'Swindlers' Abusing CCTV Name Arrested

OW0506144591 Beijing Central Television Program One Network in Mandarin 1000 GMT 5 Jun 91

[From the "National News Hookup" program]

[Text] A group of swindlers that used the names of the Central Propaganda Department, the Culture Ministry, and China Central Television [CCTV] was uncovered by the Chaoyang Subbureau of the Beijing Municipal Public Security Bureau recently.

In April this year, Jin Bo, a jobless man, together with (Geng Shouchun), (Tan Li) and (Shen Zhenyou), established the so-called Organizing Committee for Large-Scale Literary and Art Evening Party in Celebration of the 70th Founding Anniversary of the CPC under the

names of the Central Propaganda Department, the Culture Ministry, and the CCTV. Since then they had sent letters to 40,000 units throughout the nation to solicit congratulatory funds.

On 22 May, upon receipt of a report from the CCTV, the Chaoyang Public Security Subbureau filed a case to investigate the matter. Jin Bo and his company were arrested separately. Initial investigations reveal that more than 230,000 yuan has been swindled. The case is still under investigation.

#### Viewers Warned

OW0506144791 Beijing Central Television Program One Network in Mandarin 1000 GMT 5 Jun 91

["Editor's Note"; from the "National News Hookup" program]

[Text] Dear viewers, it is infuriating to learn that Jin Bo and his company have used the names of others to engage in swindling. Reports from the departments concerned show that the name of the China Central Television [CCTV] has been constantly used by swindlers to solicit funds for sponsoring activities, to pose as CCTV reporters to cover news and produce special programs, and to film TV dramas or literary and art programs. Their purpose is to gain selfish interests from these illegal activities, which have seriously tarnished the CCTV's image.

For this purpose, this station solemnly declares that CCTV reporters and working personnel covering the news and shooting TV programs in the field will carry CCTV employee's cards and letters of recommendation. To avoid being deceived, please do not trust people who conduct activities under the name of CCTV employees, but who do not have these certifications. If you find people using the name of CCTV to engage in illegal activities, please report the matter to this station.

#### Communist Party Membership Reaches 50.32 Million

OW0506160691 Beijing XINHUA in English 1511 GMT 5 Jun 91

[Text] Beijing, June 5 (XINHUA)—The number of members of the Communist Party of China (CPC) has grown to 50.32 million, according to sources from the Organization Department of the CPC Central Committee.

By the end of 1990, 3.14 million party organizations at the grass-roots level had been established throughout the country.

More than 16 million people joined the CPC during the years between 1979 and 1990. In addition, more than two-thirds of the new members have received a high-school level education or above, and more than two-thirds are under 35 years of age.

Furthermore, about one-third of the country's 24 million specialized technical workers are Communist Party

members. The numbers of female and minority party members have also increased.

By the end of last year, 10.8 million people had submitted applications for joining the party, 30 percent of whom are pople under the age of 25.

#### **RENMIN RIBAO Promotes Selflessness**

HK0506122191 Beijing RENMIN RIBAO in Chinese 20 May 91 p 5

[Article by Yan Xin (0917 6580): "Uphold and Carry Forward Communist Spirit of Selflessness"]

[Text] Selflessness is always a basic moral principle followed by communists, and a realm of thought highly praised and eulogized by the broad masses of all ages. When bourgeois liberalization was in flood, however, it became a target vehemently criticized and attacked by some people. Some said that advocating selflessness was a "left" deviation "transcending stages"; others said that selflessness or selfless dedication was an "extremely lopsided dogma" strangling individual character and personal interests; and some others even said that selflessness was not a communist watchword, but a "watchword of slave-owners," and so on. How on earth should we understand selflessness? I think it is necessary to clarify this question through debate.

Those who said that "selflessness is not a communist watchword" have not only attacked communism, but also showed their ignorance of communist theory and practice. Communists never conceal their views. Marxism pointed out from the very beginning of its founding: Only when the proletariat emancipate the whole of mankind can they emancipate themselves, and the "proletarian movement is an independent movement of the great majority of people, and is in their own interests." ("Selected Works of Marx and Engels," Volume 1, p 262) This character of the proletarian movement indicates that it is selfless, and that selflessness is the natural instinct of the proletariat and communism. Perhaps someone may argue that the above remark is merely a logical deduction, because after all the founders of scientific communism, Marx and Engels, never said such a word as "selflessness"!-Some of our articles refuting the attack on "selflessness" also admitted that Marx and Engels never directly used the word "selflessness." As a matter of fact, Marx and Engels did directly say the word "selflessness" more than once, and regarded it as one of the fundamental symbols of communists and the proletariat. Here are some examples:

Example One: Marx and Engels definitely pointed out in "Deutsches Ideology": Communists are "selfless people." (See *Collected Works of Marx and Engels*, Volume 3, p 103)

Example Two: Talking about the left-wing British Charter Movement leader, O'Connor, Engels pointed out that the capitalists "attempted to make people suspect his moral image and his selflessness so as to deprive

him of his right to be called a clean and just plenipotentiary of workers." (Collected Works of Marx and Engels, Volume 4, p 376)

Example Three: In "Ludwig Feuerbach and the Termination of the German Classical Philosophy," Engels said: "The more scrupulous and selfless science is, the more it is in keeping with the interests and aspirations of workers." ("Selected Works of Marx and Engels, Volume 4, P 254) Although the wording of "selflessness" in the original works of Marx and Engels may not exactly correspond with that in Chinese, its basic meaning is correct. This in fact shows that selflessness is inseparable from the proletariat and communism. Obviously it is a sheer nonsense to say that selflessness is not a communist but a "slave-owner's watchword." There is doubt that selflessness is one of the fundamental communist ideological principles, and a communist basic ethical principle as well.

It is necessary to point out that selflessness is not an ethical principle put forward by the proletariat alone, and that it has been praised all along as a virtue by many outstanding thinkers. Progressive thinkers of the feudal and capitalist classes also mentioned selflessness or a similar idea on many occasions. Of course, this does not mean that the proletarian selflessness was directly taken from them, but that selflessness as a realm of ideology and ethics was also favored and praised by the exploiting classes. Here it is necessary to point out that there are particular differences in principle between the selflessness of the proletariat and that of any other class in history. They are identical in the connotation of selflessness as placing class interests, and class interests as a whole, above individual interests, however. Some people in the feudal landlord class advocate selflessness, calling on people in their class to place the interests of the landlord class as a whole above those of individuals. We can say that both Bao Gong (0545 0361) and Hai Rui (3189 3843) were such people. Some people in the bourgeoisie advocate selflessness, calling on people in their class to place bourgeois interests as a whole above those of the individual. As for those bourgeois thinkers, who said that bourgeois interests were the interests of all mankind, they were simply liars—even though there were a few who were sincere during the Enlightenment. We the proletariat also advocate selflessness and urge people belonging to this class to place the overall interests of the proletariat above individual ones. Moreover, as proletarian interests are in line with the law governing social development and coincide with the interests of other working people, selflessness is therefore a fundamental principle for the proletariat in all aspects and at all times; and this did not, and could not happen to any other class in history.

Comrade Deng Xiaoping pointed out in December 1980: "We should educate all party members so that they will act selflessly, put overall interests first, work hard, perform their official duties honestly and uphold communist ideas and morality... as far back as the period of the

new-democratic revolution, we took communist ideology as a guide in all our work, calling on party members and other progressive people to act and speak within the bounds of communist morality, commending and trying to spread the spirit of such slogans as 'Serve the people wholeheartedly,' 'The individual is subordinate to the organization," 'Be selfless," 'Utter devotion to others without any thought of self,' and 'Fear neither hardship nor death.' We have now entered the socialist period, yet some people have had the audacity to criticize these high-minded revolutionary slogans. What is worse, this preposterous criticism, which should have been rejected, has found sympathy and support among some people in our own ranks. How can a communist imbued with party and revolutionary spirit tolerate such things? (Selected Works of Deng Xiaoping (1975-1982) pp 326-327) It is a pity that such an important instruction by Comrade Deng Xiaoping was not conscientiously put into effect, while the thinking and actions opposed to selflessness and communist morality became increasingly vehement. Someone openly suggested "justifying the implications of individualism," and selflessness was sneered at, belittled, and attacked in various manners. The situation took a turn for the better only after the 1989 disturbance when, under the leadership of the CPC Central Committee with Comrade Jiang Zemin at its core, a struggle against bourgeois liberalization was resolutely waged.

In spreading and publicizing selflessness, a very important question is to correctly understand and deal with the relationship between selflessness and the principle of distribution according to work.

There is a consensus on the meaning of "self" in selflessness among comrades who uphold communist morality. In the sense of words, "self" has two basic implications: One is the "self" as in "selfish," i.e., use public office for personal gains, benefit oneself at public expense, seek personal gains by abuse of power, and so on; the other is personal just interests. The "self" in selflessness refers to the latter, but not the former. Personal just interests are respected and protected by communist morality; it is only when personal interests are contradictory to collective interests that the former has to be subordinated to the latter. Not only communists, but also many other people view selflessness this way. For instance, Mr. Chen Chung-ming, an overseas Chinese living in America, pointed out in "Clearing Up 'Selflessness" ("RENMIN RIBAO, OVERSEAS EDITION," 8 December 1986): "The word 'selflessness' in fact carries the meaning of how we should deal with the relationship between public and personal affairs. In dealing with public affairs, we should discard selfish ideas and personal considerations, and do things wholeheartedly and impartially; we should not use public office for private gains, harm the public to benefit oneself, seek private gains from the public, impair the public as a result of private benefits, and so on; but we are not indiscriminately opposed to any personal considerations under any circumstances. Undoubtedly it is quite correct to handle the relationship

between public and private interests like this, because only in this way can social life be healthy and normal, and the society develop and advance. Otherwise, social life will be chaotic, and the society will retrogress." He also said: "This is easy to prove with facts."

It is necessary to point out that the principle of selflessness and that of distribution according to work are not in the least contradictory. On the contrary, promotion of selflessness is the exact ideological condition to put into effect the principle of distribution according to work. Comrade Zhang Wentian made a very fine exposition on this in an article in 1974. He said: "The basic identity of the relationship between public and private interests in a socialist society is manifested very clearly in the principle of distribution according to work. If you work for public interests, you can share a portion of the collective achievements. The more you contribute, the greater will be the portion you receive. Such a principle of distribution suits both the level of socialist productive forces, and the ideological and political level of the largest number of people. This principle of distribution is conditioned by socialist production and in turn is most advantageous to boosting production. This principle of distribution can most fully mobilize the productive enthusiasm and initiative of the greatest majority of the masses because they can learn from personal experience that working hard for the interests of the public and the collective will also bring about an improvement in one's personal life, and that when collective and public undertakings advance, their private benefits and personal life will also improve. This is what we call: "The streams are full while there is water in the rivers." For the great majority of the masses, it is very easy to understand the identity of collective and individual interests. This also explains why people are willing to work consciously and voluntarily for the socialist cause and subordinate individual interests to collective ones." (Selected Works of Zhang Wentian, pp 608-609)

Some people say that economic work should only be conducted by economic means, i.e., to bargain catty by catty, and tael by tael, and to "put money first in everything," and that moral means should not participate or meddle in. Such an explanation totally runs counter to the original meaning of the Marxist principle on distribution according to work. It is completely wrong in theory, and extremely harmful in practice.

Certainly, at the primary stage of socialism, it is unrealistic to completely popularize the principle of selflessness in the entire society. We will not do such a thing. We must carry out the ethical principle of integrating the advanced and extensive nature of morality. Justly and forcefully publicizing and spreading selflessness, and energetically commending those who are selfless, however, are required for the building of socialist spiritual civilization, and are major principles of ideological and political education. On this, we must be absolutely clear and unequivocal.

#### **Editorial Marks Tibet 'Liberation' Anniversary**

HK0406040791 Beijing JIEFANGJUN BAO in Chinese 23 May 91 p 1

[Editorial: "Defend Tibet, Build Tibet"]

[Text] Today is the 40th anniversary of Tibet's peaceful liberation. On this auspicious and happy occasion, the cadres and soldiers of the entire army extend their warm congratulations to their dear compatriots of all nationalities in Tibet; cordial appreciation to all comrades-in-arms stationed in Tibet fighting all year round on "the roof of the world"; and heartfelt regards to all retired old army comrades who have made great contributions to liberate, defend and build Tibet; and salute to all comrades who have devoted themselves and even their lives to Tibet's prosperity and progress!

Since ancient times Tibet has been part of China's territory, and the Tibetan nationality is a member of the big family of the Chinese nation. The People's Liberation Army [PLA] was ordered to advance into Tibet in the early days of the PRC's founding to complete the motherland's unification. On 23 May, 40 years ago, the "Agreement Between the Central People's Government and the Local Government of Tibet on Measures for the Peaceful Liberation of Tibet," that is, the "17-Article Agreement" was sealed. Based on that agreement, the PLA entered Tibet with the support of the people of all nationalities, and completed the great cause of Tibet's peaceful liberation. Tibet's peaceful liberation was the continuation and an important component of the great war to liberate the Chinese people, which reflected the basic interests and common aspirations of the Tibetan people as well as of the people of all nationalities nationwide. Since then, Tibet has thoroughly rid itself of imperialist aggression and bondage and has begun a new age of historical development.

In the 40 years since Tibet's peaceful liberation, Tibet has realized, under CPC leadership, a leap that transcended centuries in the wake of the great victory of democratic reform, making progress by blazing new trails on the broad road characterized by solidarity, progress and development. Especially since the Third Plenary Session of the 11th CPC Central Committee, Tibet's undertakings in socialist construction and reform have unprecedentedly developed by leaps and bounds. Recalling the darkness and evils of feudal serfdom 40 years ago, and the earth-shaking social changes over the past 40 years, while witnessing thousands upon thousands of former serfs becoming masters of the country and leading a happy life, the far-reaching historical significance of Tibet's peaceful liberation makes itself more keenly felt.

It has been 40 years of development and tremendous changes. All progress in Tibet has been made with the joint efforts of the Tibetan people and the PLA men who are the people's sons and brothers. People will never forget that it was the PLA's lofty patriotism and revolutionary heroism that helped build a wall of iron and steel

to fight aggression in defense of Tibet, safeguarding the integrity and dignity of the motherland's territory. Nor will they forget that with unshakable loyalty to the great cause of the motherland's unification, the PLA is a staunch pillar for Tibet's stability, and has fought alongside all nationalities in Tibet in solidarity and smashed the separatists' evil plot to collude with hostile forces outside the borders to split the motherland, while safeguarding the motherland's unity and Tibet's stability. People will never forget the great dedication and sacrifices of PLA men for Tibet's prosperity. The first batch of modern factories, the first power station, reservoir, farm, people's hospital, and oil pipeline were all built with PLA men's support and participation. Just as the Tibetan people sing in praise of them: "Wherever the PLA men go, the road to happiness will follow, with the seeds of civilization sowed." It is precisely through the PLA men that people have discerned the party's brilliant image, and their feelings for the party are merged with those for the PLA under the party's absolute leadership. The feats of the PLA and Armed Police Force stationed in Tibet, defending, stabilizing and building Tibet will always be indelible in the Tibetan people's minds.

It has been 40 years of development and tremendous changes. In their joint struggles with the diligent, sincere and honest, intelligent and courageous Tibetan people, the PLA men, who are the people's sons and brothers, have been themselves tempered and educated. We will never forget that it was the vivid reality of thousands upon thousands of serfs who had stood up that gave the troops an intense lesson in class education and the socialist system's advantages; and it is precisely the Tibetan people's strong feelings toward the motherland and sincerity toward Beijing that have deepened the troops understanding of nationality solidarity and patriotism. Never will we forget that it was the Tibetan people who brought us supplies on yaks when we were stationed at the frontier at extremely high altitude; every cup of rice wine, and every bowl of buttered tea was filled with the deep feelings of the Tibetan people, encouraging the PLA men to contribute everything they had to defend the frontier generation after generation. Every accomplishment and all progress of the PLA troops stationed in Tibet is inseparable from the warm concern and great support of Tibet's party committees and governments at all levels and of the people.

Reviewing the past, we are filled with happiness for the victory; looking to the future, we are all the more determined in our struggles. The realization of the 10-Year Program and Eighth Five-Year Plan formulated by the Seventh Plenary Session of the 13th CPC Central Committee and the Fourth Session of the Seventh National People's Congress [NPC] will be a new milestone in the history of reinvigorating the Chinese nation as well as in the history of the development of socialist Tibet. To change the grand blueprint for building Tibet into brilliant reality calls for the joint efforts of the army and people in Tibet. The PLA troops stationed in Tibet should have a very clear picture of Tibet's important

strategic position and make new contributions to safeguarding the integrity of the motherland's territory and dignity and maintaining the motherland's unity and Tibet's stability. It is imperative to further magnify army-government, army-people, and nationality solidarity, strictly implement the party's nationality and religious policies, observe the PLA "Three Main Rules of Discipline and Eight Points for Attention" in an exemplary way," consciously respect the leadership of local party committees and governments, actively support the building of local key projects, do a good job of activities in army-people building of spiritual civilization with joint efforts, and "share weal and woe and be one with" the Tibetan people. It is necessary to implement the spirit of the series of instructions of the Central Committee and the Central Military Commission, augment political building, do a good job of military training and logistical guarantees to improve the army's qualities, and work hard to achieve political soundness, perfect mastery of military skills, a fine style, and strict discipline with powerful guarantees. It is necessary to bring forward the spirit and style of "veteran troops stationed in Tibet" that have taken shape over the past 40 years, characterized by "the special qualities of endurance, suffering hardships and combat capability," in initiating undertakings and creating new wonders on "the roof of the world."

It is our heartfelt hope that the Tibetan people will unite as one under the party's leadership, and work hard to build a socialist new Tibet marked by solidarity, prosperity and civilization!

#### Freedom of Religion in Tibet Examined

HK0406075791 Hong Kong LIAOWANG OVERSEAS EDITION in Chinese No 21, 27 May 91

[Article by Hua Zi (5478 1311) and Jin Tian (6855 1131): "Tibet Implements Freedom of Religious Belief Policy"]

[Text] Respecting and protecting freedom of religious belief is the Chinese Government's basic policy toward religion. This policy means: Every citizen enjoys the freedom to believe or not believe in any religion and the freedom to believe in this or that religion. Within a religion, a citizen enjoys the freedom to believe in one sect or the other and the freedom to believe in religion now, though he did not believe in any religion in the past, and to not believe in religion now, though he believed in religion in the past. The essence of this policy is to turn religion into a matter which can be freely chosen by individual citizens and into a private matter for individual citizens. The government respects and protects according to law normal religious beliefs and religious activities. This is clearly stipulated in article 36 of the Chinese Constitution.

#### Tibet Has Always Implemented the Freedom of Religious Beliefs Policy

The Chinese Government has always implemented the policy of freedom of religious beliefs in Tibet. Following

Tibet's peaceful liberation in 1951, the People's Liberation Army [PLA] and working personnel dispatched to Tibet strictly observed and implemented the religious policy, winning the support and acclaim of the Tibetan people. In 1951, Tibet's top level reactionary clique launched an armed rebellion. In the course of putting down the rebellion and introducing democratic reform, the policy of redemption was implemented for surplus houses, farm materials, livestock, and land in the patriotic monasteries which abided by the law and did not join the rebellion. Apart from abrogating the feudal serf system, the democratic reform also abolished feudal privileges and the oppression system in religion. This realized and ensured the basic human rights of the majority of the people, including the vast numbers of poor lamas. Following democratic reform, the monasteries were under the democratic management of the Buddhist monks and the broad ranks of lamas enjoyed genuine personal freedom and of religious belief.

Like other parts of the country, it is beyond doubt that Tibet's religious policies were also undermined during the "Great Cultural Revolution" (from 1966 to 1976). Following that turmoil, the CPC and the Chinese Government gradually corrected the mistakes and implemented various policies, which included freedom of religious belief. Today, Tibet's traditional religious festivals have been resumed and the renovated monasteries and other religious places can basically meet the needs of the monks' normal religious activities. The masses who profess a religion can freely set up shrines and family halls for worshipping Buddha, chant Buddhist scripture, say their prayers, or freely go to monasteries to worship Buddha.

#### Prayer Meetings Continue As Usual

Lhasa's prayer meeting ("Molangqinmo" [7817 6745 2953 2302] in the Tibetan language or popularly known as the "Summoning") is a major religious festival held annually in Lhasa. It was first established in 1409 (seventh year of the Yongle reign in the Ming Dynasty) by Tsong-kha-pa, founder of the Dge-lugs-pa (Yellow sect). In the same year, Tsong-kha-pa built the Ganden Monastery and was its first head. From then on, the prayer meetings in Lhasa were all presided over by the head of the Ganden Monastery.

After assuming power in Tibet, the Dalai Lama, the fifth, set the dates for holding prayer meetings every year from 3 to 25 in the first month of the Tibetan calendar. During the prayer meeting, the iron bar lamas were responsible for Lhasa's municipal administration. They had the privileges of willfully punishing the inhabitants and practicing blackmail. Apart from studying scriptures, holding scripture examinations, and receiving the gods and Buddha, there were also the activities of butter lantern shows and shooting from horseback at the prayer meetings.

Following Tibet's peaceful liberation, the prayer meetings were held as usual in Lhasa. The democratic reform abrogated the feudal privileges of the iron bar lamas in

taking over municipal administration and practicing blackmail and offered the new activities of film and exhibition shows

The prayer meetings in Lhasa were suspended when the "Cultural Revolution" erupted in 1966. In light of the demands of the masses professing a religion, the practice was resumed in 1986. When the prayer meetings of 1988 and 1989 were about to end, a handful of splittists instigated a planned riot. Their practices violated the law as well as Buddhist rules and the interests and aspirations of the Tibetan monks.

# Reincarnation of Living Buddha Carried Out in Light of Religious Rules

Take the reincarnation of the living Buddha for example. This is a special religious means of succession in Tibetan Buddhism. The system was first established by the Gema [0900 3854] branch of the Geju [0900 5282] sect in the 13th century. By the mid-17th century, reincarnation of the living Buddha became the main means of succession for leaders of Tibetan Buddhism. In the course of development it gradually became a fixed traditional practice and religious rule, which has been carried on to the present.

The Baingen, the tenth, passed away on 28 January 1989. The State Council solemnly declared on 30 January: The state will allocate funds to build a shrine and temple for the Great Master Baingen. When necessary, the Chinese Buddhist Association and the Tibet branch of the association will be invited to assist the Tashilhumpo Democratic Management Committee, which had been managed by previous Baingens, in seeking and selecting an immortal boy for the reincarnation of the Baingen, the tenth. On 25 August, the living Buddha, Qiazha Qiangbachilie, announced in Lhasa the circular approved by the State Council on seeking and selecting an immortal boy for the Baingen, the tenth. The living Buddhas Qiazha and Jiaya, masters of the Baingen, the tenth, made specific arrangements for selecting the immortal boy. At the same time, they declared that the search for the immortal boy for the reincarnation of the Baingen, the tenth, will be made in China. The living Buddha Jiaya passed away on 20 September 1990 in Qinghai's Xining. Before his death, he had made careful consideration and appropriate explanations for searching for the immortal boy for the reincarnation of the Baingen, the tenth. At present, the search for the immortal boy is being smoothly carried out by the Tashilhumpo Democratic Management Committee and eminent monks from Tibetan Buddhist circles in light of religious rules.

It is particularly noteworthy that since the Third Plenary Session of the 11th CPC Central Committee, Tibet, like other parts of the country, advanced in the course of setting things to rights, developed amid reform and opening up and implemented all policies, including that of freedom of religious belief. To date, Tibet has renovated and opened over 1,400 monasteries and religious

places, which offer accommodation to 34,000 monks and nuns, basically meeting the needs of the monks' religious life.

Today, Tibet has a Buddhist college, where Buddhist scriptures and history of religion are taught by noted living Buddhas and Buddhist scholars. The large monasteries have also run scripture classes and large-scale preachings are held every year. The Tibet Buddhist Association founded the periodical TIBETAN BUDDHISM (in Tibetan) to carry articles on Buddhist and monastery studies. With the approval of the government, some large monasteries cut blocks to print scriptures themselves. The voluminous scriptures in the Potala Palace are properly sorted, of which "Bstan-'gyur," one of the eight treasures, is being recopied by calligraphers.

#### Improvement of Nationalities Policy Urged

HK0406074391 Beijing JINGJI RIBAO in Chinese 9 May 91 p 3

[Article by Ming Lan (2494 5695) of the State Council's Research Office: "Uphold, Improve China's Policy Toward Nationalities"]

[Text] China is a multi-ethnic country. This is a basic national condition. Since the founding of the republic over 40 years ago, in line with the principle of integrating Marxist-Leninist nationality theory with the practical condition of China's ethnic minorities, established by China's proletarian revolutionaries of the older generation, the party and state have worked out a whole set of nationality policies compatible with China's national conditions, practiced the principle of equality among all ethnic minorities, taken regional national autonomy as a basic system for solving China's nationality problems, upheld the principle of closely integrating unity with progress and promoting one another, and led the people of all nationalities in a joint struggle. We have attained glorious results in the cause of nationality unity and progress.

Since the Third Plenary Session of the 11th CPC Central Committee, the central authorities have practiced a series of special policies and flexible measures toward ethnic minorities, which are advantageous to the development of the productive forces. As a result, great progress has been made in the economic and social development of ethnic minority regions and ethnic minorities, gratifying changes have taken place in urban and rural outlooks, and the life of the people has markedly improved.

However, owing to historical and social causes and to natural conditions, there is still a big gap between ethnic minority regions and other regions in terms of economic and cultural development. The economic base of ethnic minority regions is still fairly weak, the level of their productive forces is low, the state of poverty and backwardness in many ethnic minority regions has yet to be completely changed, and the problem of adequate food and clothing has not been satisfactorily resolved in some of them. Because propaganda and education in Marxist nationality concept and theory and the party's nationality policies have not been conducted extensively, especially among young people and some cadres, there is still something to be desired in some respects, such as respecting the customs, habits, and religious beliefs of ethnic minorities. Over the past few years, the hostile forces at home and abroad have employed numerous means to undermine China's nationality unity in an attempt to subvert China's socialist system. As a result, there are still some destabilizing factors in some ethnic minority regions.

Therefore, during the Eighth Five-Year Plan, our work on ethnic minorities should be centered on two major issues—maintaining social stability and developing the economy—and we should do a good job in the following four tasks:

- 1. Continuously give top priority to the maintenance of social stability. Without a stable social environment, the consolidation of the border areas, the reunification of the motherland, the unity of nationalities, and the security of the people would be seriously jeopardized and it would be impossible for us to concentrate on economic construction. It is necessary to firmly rely on the people of all nationalities and strictly enforce the relevant policies and decrees of the party and state. We should not only resolutely struggle against separatist forces, but also respect the national sentiments of the people of all nationalities; we should not only crack down hard on a handful of separatist elements who stubbornly hold on to their reactionary stand, but also unite all people that can be united and arouse all positive factors.
- 2. Step up publicity and education in the Marxist-Leninist nationality concept. Equality, unity, and common prosperity among all nationalities constitute the Marxist-Leninist concept of nationality. It is necessary to extensively and penetratingly carry out education among the people and cadres of all nationalities in the Marxist-Leninist nationality concept, the party's nationality policies, and national equality and unity. Leading cadres at all levels in particular should pay attention to studying Marxist-Leninist nationality theory, and solidly foster the Marxist-Leninist concept of nationality. With regard to sensitive issues tending to touch off reactions in people, we should approach them prudently, deal with them expeditiously and appropriately, and rectify the phenomena which run counter to nationality policies and harm nationality unity.
- 3. Conscientiously implement the law on regional national autonomy. The "Law on Regional National Autonomy" is a state basic law formulated according to the constitution and is an important guarantee for doing a good job in nationality work. At present, the views reflected by ethnic minority regions are concentrated on how to effectively guarantee the self-determination rights and the economic rights and interests of ethnic minorities and ethnic minority regions. Therefore, we should take effective measures and pay close attention to drafting corresponding statutes to ensure that national autonomy

regions can fully exercise their self-determination rights and that the relationship between the overall interests of the state and the interests of ethnic minority regions can be properly handled.

4. Carry out the work of developing economy and culture in a down-to-earth manner and develop the economy as quickly as possible. During the Eighth Five-Year Plan, the state will take further measures to develop the economies of ethnic minority regions. The main points are: First, bring into full play the advantages of ethnic minority regions in natural resources by integrating the exploitation of resources by the state with the development, prosperity, and concrete interests of ethnic minorities in these areas; second, continuously implement the relevant policies of supporting ethnic minority regions and expeditiously solve the ethnic minority regions' problems of having adequate food and clothing; third, the state and the economically developed regions should give financial, material, and technical aid to ethnic minority regions by integrating the advantages of ethnic minority regions in resources with the advantages of the economically developed regions in manpower, funds, and technology so as to gradually change the relatively backward economies of ethnic minority regions.

#### Rules for Implementing Copyright Law

OW0506142591 Beijing XINHUA Domestic Service in Chinese 0835 GMT 1 Jun 91

["Detailed Rules for Implementation of the PRC Copyright Law"—XINHUA headline]

[Text] Beijing, 1 Jun (XINHUA)—

#### Chapter I. General Provisions

- Article 1. These Detailed Rules for Implementation are formulated in accordance with the provisions of Article 54 of the PRC Copyright Law (hereinafter abbreviated as the Copyright Law).
- Article 2. Works as termed in the Copyright Law refer to the unique results of intellectual creation in the fields of literature, art, and science which can be duplicated in some tangible forms.
- **Article 3.** Creation as termed in the Copyright Law refers to intellectual activities that directly produce works of literature, art, and science.

Acting an organizer, offering opinions for consultation and material conditions, or conducting other supplemental activities for other people's creation are not considered creation.

- **Article 4.** The implications of the following works as used in the Copyright Law and these Detailed Rules for Implementation are:
- 1. Written works refer to novels, poems, prose, dissertations, and other works expressed in written form:

- Verbal works refer to impromptu speeches, classroom lectures, court debates, and other works created by verbal language and not yet finalized in any material media;
- Musical works refer to symphonies, songs, and other works, with or without lyrics, that can be sung or played;
- 4. Theatrical works refer to modern dramas, operas, local operas, and other works for stage performance;
- 5. Quyi works refer to comic dialogues [xiangsheng], quick-patters [kuaishu], versified story sung to the accompaniment of a small drum [dagu], storytelling [pingshu], and other works mainly presented through ballad singing and storytelling;
- Dance works refer to works presented in the form of continued actions, postures, and facial expressions;
- 7. Artistic works refer to paintings, calligraphy, sculptures, architecture, and other aesthetical works of plastic arts created by lines, colors and other methods on a plane or in three dimensions;
- 8. Photographic works refer to artistic works for recording images of objects on sensitive materials by using instruments;
- 9. Movies, TV and video works refer to works which are filmed on a certain material, composed of a series of pictures, with or without sound accompaniments, and screened and broadcast by using appropriate equipment;
- 10. Drawings of project and product designs, and their explanations refer to the diagrams produced for construction and production and the written explanations for the diagrams;
- 11. Atlas, sketch maps, and other graphic works refer to maps, route maps, anatomical diagrams, and other graphics or models that represent geographical phenomena and illustrate the principles of things, events, or structures.
- Article 5. The meanings of the following terms concerning the use of works referred to in the Copyright Law and these Detailed Rules for Implementation are:
- 1. Reproduction means acts of making one or more copies of the work by such methods as printing, xero-graphing, copying, rubbing, audio recording, video recording, dubbing, and rephotographing.
- 2. Performance means playing music, staging plays, and reading poems that openly re-present the work either directly through sounds, expressions, and actions or by means of technical equipment.
- 3. Broadcasting means publicizing the work through radio waves or the cable television system.
- 4. Exhibition means openly displaying the original or copy of the art work or the photographic work.
- 5. Distribution means providing the public with a certain quantity of copies of the work by selling, renting, and other means to satisfy the reasonable needs of the public.
- Publication means distributing to the public the reproduced work after it has undergone the process of compilation.
- 7. Production of films, television, and video works means fixing the works for the first time on a certain carrier through the process of film shooting or by similar

- methods. Recording performances or scenes mechanically is not considered as production of films, television, and video works.
- 8. Revision means creating a new unique work on the basis of the original work by altering its way of expression or its application.
- Translation means converting the work from one spoken or written language to another spoken or written language.
- Annotation means explaining words, phrases, or sentences of the written work.
- 11. Compilation means selecting some works or fragments of works and putting them together to make one work to meet specific requirements.
- 12. Collation means subjecting those written works or materials that are scattered and lack clarity to the process of methodization and systematization, such as correcting, punctuating, and supplementing a version of an ancient book.
- **Article 6.** The meanings of the following terms used in the Copyright Law and these Detailed Rules for Implementation are:
- 1. Current news means pure, factual information reported by newspapers, periodicals, radio and television stations, and other mass media.
- 2. Audio product means any original recording of sounds.
- Video product means any original recording of continuous, related images, either accompanied or not accompanied by sounds, other than films, television, and video works.
- 4. Radio and television programs mean programs broadcast by radio and television stations by means of soundand image-carrying signals.
- Audio recorder means the person making the audio recording.
- 6. Video recorder means the person making the video recording.
- 7. Performer means the actor or actress or any other person performing the literary or art work.

#### Chapter II. Copyright Law Administrative Departments

- **Article 7.** The State Copyright Bureau is the copyright administrative department of the State Council. It is in charge of the administration of copyrights nationwide with the following main functions:
- Implementing laws and regulations on copyrights; and formulating measures relative to copyright administration.
- Investigating and dealing with those copyrightinfringement cases with a major impact on the whole country.
- 3. Approving the establishment of collective copyright administrative organizations, copyright agents for foreigners, and contract dispute arbitration organizations, and supervising and guiding their work.
- Being responsible for the administrative work on copyrights involving foreigners.

- 5. Being responsible for the administrative work on the state's copyrights.
- Guiding the work of local copyright administrative departments.
- 7. Undertaking other copyright administrative work assigned by the State Council.
- Article 8. Administrative departments in local people's governments charged with managing copyrights are responsible for their administration within their own district, and their duties will be determined by the people's governments of provinces, autonomous regions, and municipalities.

#### Chapter III The ownership and exercise of copyright

#### Section One. The ownership of copyright

- **Article 9.** Except when otherwise stipulated by law, the creative works of citizens or legal persons regarded as writers under the law, or nonlegal person units, can all enjoy copyrights.
- A legal person should meet the conditions in the articles under the General Rules of the Civil Law. Mass or economic organizations or legal persons established by comparative independent departments which do not meet the conditions of legal persons, when registered, will be regarded as nonlegal person units.
- Article 10. A person who translates or re-arranges the work of others enjoys the copyright over the work resulting from his translation or re-arrangement, but not the copyright over the original work, and he cannot prevent others from translating or re-arranging the same work.
- **Article 11.** Work created jointly cannot be divided up for use. If a unanimous decision over the exercise of the copyright of a jointly produced work cannot be reached, no party is permitted to prevent another from exercising the copyright without proper reason.
- Article 12. The entire copyright of encyclopedias, dictionaries, teaching materials, large photographic pictorials, and other edited works produced by the personnel of, or with the funds and materials supplied by legal persons or nonlegal person units, belongs to the legal persons or nonlegal person units.
- Article 13. When a copyright holder permits others to produce his work into movies, television serials, and video products, it is deemed that he has agreed to the necessary changes made to his work, but these changes must not distort the original work.
- Article 14. The copyright holder of a work created during the course of duty, if the unit he is serving does not use it within two years of its creation, has the right to ask his unit to let a third person or another unit use his work in the same manner. His unit should not reject his request without proper reason.

If a work is completed in not more than two years, his unit agrees, and the author receives compensations for

permitting it to be used by a third person or another unit in the same manner, the author and his unit will share the reward in the proportion agreed upon.

When a work is completed in more than two years, the unit can continue to use it within the realm of its business.

The two-year limit begins from the date when the author hands over the work to his unit.

Article 15. The material and technical conditions mentioned in Article 16, Paragraph 2, Item (1) of the Copyright Law refer to funds, facilities or materials supplied especially to create the work.

Article 16. When the author's identity is uncertain, the legitimate owner of the original copy of the work will exercise the copyright, except the right to sign the name. After the identity of the author is established, he or his successors will exercise the copyright.

Article 17. The transfer of the ownership of original copies of artistic works mentioned in Article 18 of the Copyright Law is not to be regarded as a provision on the transfer of copyright, and applies to any possible transfer of the ownership of original copies of any works.

#### Section Two. The Inheritance of Copyright

Article 18. Property right in connection with copyright is inherited according to the laws of inheritance.

Article 19. After the death of an author, the right to use his writings jointly written with other authors and the right to receive remuneration generated by the writings are to be passed to his co-authors if no one inherits or is given the rights.

Article 20. After the death of an author, the right to sign and revise his writings and the right to keep his writings intact are to be protected by the author's inheritors or someone given the copyright of the writings.

The right to sign and revise an author's writings and the right to keep his writings intact, of those which copyright is not inherited by or given to anyone are to be protected by copyright administrative departments.

Article 21. Copyright enjoyed by the state is executed by copyright administrative departments on behalf of the state.

Article 22. The publishing right for writings that have not been published when the author is alive may be executed by the author's inheritors or someone given the right within 50 years after the author's death if the author had not definitely expressed his wish that the writings not be published; if there are no inheritors or no-one given the right, it is to be executed by the legal owner of the original writings.

Section Three. The Coming Into Being of Copyright and the Computation of the Period of Copyright Protection Article 23. Copyright comes into being as of the date of completion of writings, and is protected by the Copyright Law.

Article 24. The period of protection for the right to use one's writings and the right to receive remuneration generated by the writings whose author is unknown is 50 years. The protection period ends on 31 December of the year 50 years after the writings were first published. Once the identity of the author is confirmed, article 21 of the Copyright Law will apply.

Article 25. The protection period for the copyright of foreign writers' writings that are first published in China begins from the date of first publication.

Foreigners' writings' that are first published in China, as mentioned in Clause 2 of Article 2 of the Copyright Law, refers to foreigners' writings that have never been published before and are first published in China through a legal channel.

Foreigners' writings published in China within 30 days after they were first published outside China are considered first published in China.

Foreigners' writings that have never been published before and that are first published in China after authorized revising or after being translated into Chinese are considered first published in China.

#### Section Four. Limitation to the Rights

Article 26. Published writings as mentioned in the Copyright Law refer to writings made public by the writings' copyright owners according to the Copyright Law.

Article 27. The following conditions must be met in appropriately quoting other people's published writings, as stipulated in Item 2 of Article 22 of the Copyright Law:

- The purpose of quoting is limited to introducing or commenting on certain writings or explaining certain issues.
- Quoted portions must not constitute the major or substantive portions of the writings of the quoters.
- 3. The interests of the owners of the copyright of quoted writings must not be infringed upon.

Article 28. Stipulations in Item 3 of Article 22 of the Copyright Law refer to unavoidable reappearance of published writings that is in line with the purpose of news reporting.

Article 29. Using other people's published writings according to Items 6 and 7 of Article 22 of the Copyright Law must not affect the normal use of the writings nor infringe upon the legitimate interests of the writings' copyright owners.

Article 30. No fees should be collected from the audience nor remuneration given to performers for performances based on published writings according to Item 9 of Article 22 of the Copyright Law.

Article 31. Stipulations in Item 11 of Article 22 of the Copyright Law are only applicable to writings that are originally written in the Han language.

#### Chapter IV Contract Permitting the Use of Copyright

- Article 32. Except for works published in newspapers and journals, contracts entered with copyright holders or permission obtained to use copyright works should be in writing.
- Article 33. Except when otherwise stipulated in the Copyright Law, when it is not stated explicitly in the contract that the permission is exclusive, the user has only nonexclusive rights to use a work.
- **Article 34.** The State Copyright Bureau is responsible for supplying the pattern standard of contracts permitting the use of copyright works.
- Article 35. A user who has obtained the exclusive right to use a certain work has the right to exclude all others, including the copyright holder, from using the work in the same manner. If a third person is authorized to exercise the same right, permission must be obtained from the copyright holder, except when otherwise agreed upon in the contract.

# Chapter V The Exercise and Limitation of Rights and Interests Related to Copyrights

- Article 36. The rights and interests related to copyright mentioned in the Copyright Law and these implementation regulations refer to the rights enjoyed by publishers over the books and journals they published, the rights of performers over their performance, the rights of audiovisual producers over their audiovisual products, and the rights of radio and television stations over the programs they have broadcasted.
- Article 37. Publishers, performers, audiovisual producers, and radio and television stations must not harm the rights of the works they used and the rights of the copyright holders of original works when they exercise their rights.
- Article 38. A publisher enjoys the exclusive right of use over the format and design of the books, newspapers, and journals they have published.
- Article 39. In accordance with Article 30 of the Copyright Law, a book publisher has the monopolistic rights to publish a book in the same words and in the forms of original, revised, and abridged editions within the period and within the region stipulated in the contract, and is protected by law.
- Article 40. When a writer, of his own accord, sends the original text to a book publisher, the publisher should decide within six months whether or not to use it. A contract should be signed if he decided to use it; if not, he should notify the writer promptly. If the publisher neither informs the writer nor signs a contract, the writer can demand the publisher to return the original text and

- seek financial compensation after six months has passed. The six-month limit begins from the date the publisher receives the original text.
- **Article 41.** The provisions in Articles 29, 30, 31 and 33 of the Copyright Law shall not apply if the copyright holder shoulders the expenses of the publication.
- Article 42. When an order in duplicate sent by the writer to the book publisher is not fulfilled within six months, it is deemed that the book is out of stock as referred to in Article 31 of the Copyright Law.
- Article 43. When a copyright holder wishes to declare that his work cannot be reprinted or excerpted in accordance with Article 32, Paragraph 2 of the Copyright Law, he should include such a statement when his work appears in the newspapers or journals for the very first time.
- Article 44. The protection period of the rights in Items (1) and (2) of Article 36 of the Copyright Law is not affected by the length of time.

The protection period of performers' rights to reward stipulated in Paragraph 2 of Article 39 and Paragraph 3 of Article 42 in the Copyright Law applies, respectively, to the provisions in Paragraph 1 of Article 39 and Paragraph 2 of Article 42.

- **Article 45.** In accordance to Article 35 of the Copyright Law, a performer should make payment to the copyright holder through the organizers of the performance.
- **Article 46.** Performances by foreign performers in China are protected by the Copyright Law.
- **Article 47.** Audio and video products made and distributed by foreign audio and video recorders in China are protected by the Copyright Law.
- Article 48. Copyright holders who want to declare that their works should not be performed, taped, or made into radio and television programs in accordance with paragraph two of Article 35, paragraph one of Article 37, and paragraph two of Article 40 of the Copyright Law, shall so declare or issue a statement to this effect on the Copyright Bulletin of the State Copyright Bureau when their works are published.
- Article 49./ If the work published by another person is used in accordance with paragraph two of Article 32, paragraph two of Article 35, paragraph one of Article 37, and paragraph two of Article 40 of the Copyright Law, a compensation shall be paid to the copyright holder. If the copyright holder or his address is not known, the compensation shall be mailed within one month to an organization designated by the State Copyright Bureau, which shall pass the compensation onto the copyright holder.

#### Chapter VI. Punishments

Article 50. In dealing with the copyright-infringement acts listed in Article 46 of the Copyright Law, the

copyright administrative department may give the following administrative punishments: Warning, ordering the stoppage of production and distribution of duplicates, confiscating illegal gains, confiscating the duplicates and production equipment, and imposing a fine.

Article 51. The amounts of fines that the copyright administrative department shall impose on the copyright-infringement acts listed in Article 46 of the Copyright Law are as follows, depending on the seriousness of the case:

- 1. For acts specified in item 1 of Article 46 of the Copyright Law, the fine is between 100 and 5,000 yuan.
  2. For acts specified in items 2, 3, 4, 5, and 6 of Article 46 of the Copyright Law, the fine is between 10,000 and 100,000 or equivalent to, two to five times the total price.
- 3. For acts specified in item 7 of the Article 46 of the Copyright Law, the fine is between 1,000 and 50,000 year.

**Article 52.** Copyright administrative departments of local people's governments are responsible for investigating and dealing with the copyright-infringement acts listed in Article 46 of the Copyright Law occurring in their respective localities.

The State Copyright Bureau is responsible for investigating and dealing with the following acts among the copyright-infringement acts listed in Article 46 of the Copyright Law:

- 1. Copyright-infringement acts that have a big impact on the whole country:
- 2. Copyright-infringement acts involving foreigners; and
- 3. Copyright-infringement acts that should be investigated and dealt with by the State Copyright Bureau.

Article 53. While imposing administrative punishment, the copyright administrative department may instruct the infringer to compensate the loss suffered by the victim.

# Chapter VII. Supplementary Provisions

Article 54. Copyright holders may exercise their copyrights by means of collective management.

Article 55. The State Copyright Bureau shall be responsible for the interpretation of these rules.

Article 56. These rules shall take effect on 1 June 1991.

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# **East Region**

# Lu Rongjing Meets Zhang Boxing, Shaanxi Group

OW2905111691 Hefei ANHUI RIBAO in Chinese 16 May 91 p 1

[Text] A study group, led by Zhang Boxing, party secretary of Shaanxi Province, arrived in Chuxian County on 14 May for an inspection. Yesterday, Anhui's party Secretary Lu Rongjing, Deputy Secretary and Governor Fu Xishou, deputy secretaries Meng Fulin and Yang Youngliang, Standing Committee member and head of the Organization Department Liu Guangcai, and others cordially met with the guests from Shaanxi at Hefei's Daoxianglou Guesthouse. In addition, a forum was held at the guesthouse, during which a warm welcome was extended to the delegation, which was led by the major leading comrade of Shaanxi Province, for its visit to the province for inspection and experience exchanges.

During the forum, Anhui's responsible comrades briefed the guests on the general situation in the province, Anhui's economic development since the Third Plenary Session of the 11th CPC Central Committee [CPCCC], and current important tasks. They also introduced the guests to some basic concepts of accelerating economic and social development in the province. They said: In recent years, the first task we have attached importance to is the work of stabilizing our ideology, economy, and the contingent of cadres by following the central authorities' guiding principle and combining it with reality in the province. The second is to straighten out our thinking and formulate plans for economic and social development. We have made policies for accelerating the development of the Wanjiang Valley and the comprehensive agricultural development in the Huaibei area through investigation and pooling the wisdom of the masses. The former is to introduce the commodities produced along the Wanjiang Valley to the international market, while the latter is to search for ways to take advantages of our agricultural development and quicken our pace of industrialization in the province, which is a major agricultural region in China. The third task is to enhance our economic strength by improving infrastructure, readjusting the economic structure, and increasing economic performance. If we can do a good job in carrying out the abovementioned tasks, we can achieve stable and sound development. They also said that Shaanxi has a good foundation for industry, with an advanced starting point for development, and that comrades from Shaanxi are bold and resolute in their work and have many experiences Anhui could learn from. They also expressed their sincere hope that our guests from Shaanxi would provide us with many valuable opinions on economic and social development in our province.

At the meeting, Comrade Zhang Boxing first introduced basic and special conditions in Shaanxi. He then talked about the economic development and major tasks performed in Shaanxi during the "Seventh Five-Year Plan" period. He also mentioned the overall concept of economic development in Shaanxi in the next decade, which is: Strengthen the fundamental position of agriculture in

the national economy; accelerate the construction of energy, transportation, postal services, and telecommunications to meet the need of development of the national economy; transform and improve leading industries, engineering, electronics, and textile; improve the technical level of all industries by using advanced technology to transform traditional industry; actively develop mineral resources, such as nonferrous metals and gold, and promote the development of the raw materials industry; continue to carry out strategic ideology of developing key projects in the Guangzhong area, and actively develop south and north Shaanxi and transform them into three large economic zones with their own characteristics and coordinated development.

Comrade Zhang Boxing also said: Anhui has taken a leading role in agricultural reform and had a good level of industrial development, thus making important contributions to the state. We have been highly encouraged during our visit to Chuxian County. On our way here, we were glad to see people energetic in spirit and a group of recently developed small townships.

Finally, responsible comrades of the two provinces said that both Anhui and Shaanxi would strengthen ties and cooperation to complement and help each other.

Zhang Boxing and his party inspected urban construction, factories, and enterprises in Hefei City yesterday. They will visit Anqing, Chizhou, Wuhu, and Maanshan, beginning on 16 May.

#### Lu Rongjing Addresses Rural Work Conference

OW3005105391 Hefei ANHUI RIBAO in Chinese 19 May 91 p 1

[Text] A provincial rural work conference was held in Hefei on 18 May. Lu Rongjing, secretary of the Anhui Provincial CPC Committee, presided over the opening of the conference. He said the major tasks of the conference were to thoroughly carry out the guidelines set by the Seventh Plenary Session of the 13th CPC Central Committee, to convey and carry out the guidelines set by the recent national meeting to exchange experience in rural economic work, to sum up and exchange experience in Anhui's rural work, and to study and lay out a plan for the province's future rural work.

Attending the conference were members of the provincial CPC committee Standing Committee; vice governors of Anhui Province; responsible persons of the provincial CPC Advisory Commission, the provincial People's Congress Standing Committee, the provincial committee of the Chinese People's Political Consultative Conference, and the provincial CPC Discipline Inspection Commission; secretaries of the CPC committees, commissioners, mayors, and county heads of all prefectures, cities, and counties; secretaries of the CPC committees or district heads of suburban districts of cities directly under the provincial authorities; secretaries of the CPC committees or heads of state-run farms directly under the Anhui Provincial Land Reclamation, Agriculture, Industry, and

Commerce Corporation; directors of the agriculture and economy committees of various prefectures and cities; and major responsible persons of concerned departments, commissions, and bureaus directly under the provincial authorities, totalling 327 people.

In the morning, Vice Governor Comrade Wang Sheyun conveyed the guidelines set by the recent national meeting to exchange experience in rural economic work. He said: The meeting was conducted in three stages. First, we visited 13 typical advanced units in Shandong; then, we were briefed on the rural work experience of Shandong, Sichuan, Jiangsu, and eight other provinces; and, finally, we heard and discussed the important speeches and summing-up of the meeting made by leading comrades of the CPC Central Committee and the State Council. The meeting pointed out that, according to the guidelines of the Seventh Plenary Session of the 13th CPC Central Committee, the main goals of China's agricultural and rural work in the coming decade are to raise the overall agricultural production capability to a new level to ensure that grain production reaches two new targets (450 billion and 500 billion kilograms); to bring about new progress in rural reform to further improve the rural economic system; and to bring about a new outlook to rural areas in which rural economy prospers, rural residents' mentality is healthy and positive, and rural society is characterized by stability and unity. It is a formidable task to achieve the above goals; in particular, without taking new effective measures and making further hard efforts, it would be impossible to reach the two new targets for grain production from the current relatively high base number. Therefore, following the plenary session's guidelines, we should make a good plan for long-term projects, make good arrangements for current tasks, and exert ourselves in carrying out the plan and tasks. The focus of deepening rural reform currently and in a period ahead is to continue and refine the responsibility system, based on the household contract responsibility system with remuneration linked to output, to improve the dual management system combining household with collective operations, to actively develop socialized service system, to reform the agricultural products price and circulation systems, to clear up circulation channels, and to create better market environment. The meeting also called on all localities to stick to the principle of starting off based on reality, to seriously sum up and make use of all beneficial experiences, to regard strengthening macroeconomic regulation and control as an important measure for ensuring the long-term and steady development of the rural commodity economy, and to create favorable conditions for the development of a rural commodity economy.

In the afternoon, participants of the conference, presided over by Shao Ming, member of the provincial CPC Committee Standing Committee and vice governor of Anhui, exchanged experiences. Those briefing the conference on their experiences included Lu Zixiu, secretary of the Chuxian Prefectural CPC Committee; Hu Zhichun, secretary of the Chaohu Prefectural CPC Committee; Qin Dewen, commissioner of the Buyang Prefectural Administrative Office; Wu Cunxin, mayor of Huangshan City; Ye Shugen, commissioner of the Liuan Prefectural Administrative Office; and Zheng Zhikuan, secretary of the Tongcheng County CPC Committee.

# Fu Xishou Speaks

OW0106134391 Hefei ANHUI RIBAO in Chinese 20 May 91 p 1

[Text] Fu Xishou, deputy secretary of the provincial party committee and governor, delivered a report to the provincial conference on rural work yesterday morning. The theme of his report was: strengthen agriculture as the foundation of the economy and accelerate the historical course of bringing relative affluence to the countryside.

He said: The countryside and rural work are of vital importance in the historical course of attaining the second-step strategic objectives. The whole province must mobilize to strengthen, support, and develop agriculture. In the 1990s, we should, as a new starting point, further emancipate the mind, develop new ideas, vigorously implement reform, speed up agricultural modernization and the industrialization of the countryside, and strive to attain the grand goal of attaining relative affluence by the end of the century. Our initial plan calls for an average annual growth of 3.8 percent in the total agricultural production, over 10 percent in village and township enterprise production; and raising grain production to 27 million and 30 million tonnes and per capita rural income to 800 and 100 yuan, respectively, at the end of the Eighth and Ninth Five-Year Plans. To achieve these goals, we must, in accordance with the central policy of making agriculture the foundation of the national economy, give top priority to agriculture in developing the economy and further clarify development guidelines in light the province's realities. In formulating the 10-Year Program and the Eighth Five-Year Plan, it is necessary to clarify and solve the following problems: 1) We should take into consideration the overall requirements of economic and social development and, under the conditions of developing a planned commodity economy, consolidate and develop the province's strong points in rural commodity production. It is essential to use the market as the guide and rationalize the agricultural structure and rural industrial structure to make the best use of our resources. While improving quality, we should continue stabilizing grain production; actively develop diversified undertakings; grow more cash crops; speed up the development of livestock breeding and fish farming; raise the proportion of forestry, animal husbandry, sideline occupations, and fisheries; and effect all-around development of agriculture. It is necessary to vigorously develop village and township enterprises, give priority to developing agriculture and agriculture-related services in the countryside, and encourage the surplus rural work force to enter the great market created by opening internally and externally. We must have local

conditions in mind and develop a new-type rural economy that stresses both industry and agriculture, both resource development and processing, and both domestic and foreign trade. 2) We should organize efforts to promote comprehensive agricultural development in a more effective way and appropriately concentrate our attention on the area north of the Huai He. Our province has large areas of medium and low-yield lands and relatively abundant agricultural reserve resources; in promoting comprehensive development of agriculture. we should, on one hand, pay attention to the readjustment, transformation, and improvement of traditional agriculture, and, on the other hand, attend to the comprehensive development and use of the province's agricultural resources. Priority should be given to improving medium and low-yield lands through a combination of measures, vigorously promoting intensive farming, and raising the per-unit output. 3) We should develop regional agricultural economies with distinctive local characteristics. In addition to the area north of the Huai He, which is a main target of agricultural development, we should also give priority to the development of export-oriented economy in the area along the Wan Jiang, to new- and high-technology development zones such as the Hefei Science and Technology Park, to Huang Shan and other tourist zones, and to the multipurpose development zones in eastern Anhui. We should also pay continued attention to the development and aid-the-poor work in the Dabie Shan area and flood passage and storage areas along the Huai He. While carrying out key economic development projects adopted the province, various localities should speed up the development of regional agricultural economies with distinctive local characteristics.

4) It is necessary to adapt to the demands of the market both inside and outside the province, enliven the circulation of agricultural and sideline products, and develop an economic structure in which industry and agriculture serve trade and the procurement of supplies, production, and marketing are integrated as a whole. As a result of rapid growth in the province's commodity production. problems such as clogged circulation, overstocking, and price fluctuations have become even more pronounced. One of today's urgent tasks is deepening reform, enlivening circulation, and developing grain and other specialized markets for sideline products, general markets, and wholesale markets in a planned way, with the development of a smooth-running, highly-efficient, and regulatory market as the goal. Efforts should also be made to develop futures trading and refine diverse channels of circulation while ensuring that public ownership remains dominant. Except for cotton, flue-cured tobacco, and silkworm cocoons, which operate under a state monopoly and are handled exclusively through state-run circulation channels, all agricultural and sideline products, including above-quota grains and oilbearing crops, are allowed to be sold freely through diverse channels of circulation. We must earnestly consolidate the circulation order, abolish all checkpoints that hamper circulation of agricultural and sideline

products, eliminate all illegal collection of fees and fines, and create a better market environment. We should render active support to the peasants' entry into the circulation sector and bring up traveling peasant salesmen in large numbers; at the same time, we must also improve market administration, amplify market regulations, and gradually develop a lively but orderly market which is free of inhibitive restrictions and is administered according to law. We should develop an economic mechanism by which industry and agriculture serve trade and the procurement of supplies, production, and marketing are integrated as a whole and enliven the circulation of agricultural and sideline products in large volume. The core of an economic structure by which industry and agriculture serve trade is trade, that is, we must take the market as the guide and produce according to demand; integrate industry and agriculture; share risks and benefits; integrate trade, industry, and agriculture into an organic whole; and see to it that the economic chain-a chain that links production, circulation, and expanded production-run smoothly. 5) Adhere to the path of development in which public ownership remains dominant, develop the county-level economy and rural collective economy, and speed up the industrialization of the countryside and the integration of urban and rural areas. We should start from the most rudimentary work and, taking resources and the market as a guide and taking into consideration local conditions, devise and implement a strategy for launching the industrialization of the countryside.

Comrade Fu Xishou said: To accelerate the pace of bringing relative affluence to the countryside, we must further stabilize and improve the various basic policies on developing the rural economy and vigorously develop socialized services. We must continue to increase agricultural income, step up the construction of basic facilities, vigorously promote education on agricultural science, improve the quality of the work force, and increase agricultural productive forces in a all-around way. We must render active support to and speed up the development of village and township enterprises; we must organize all trades and professions to support agriculture and raise the level of agricultural material, technology, and equipment; we must implement the basic state policy of controlling population growth and protecting farmland; and we must vigorously promote socialist spiritual civilization and strengthen grass-roots organizations.

In conclusion, Comrade Fu Xishou urged those at the meeting to execute their current tasks successfully, strive to reap a good harvest in agriculture this year, and make a good start in implementing the Eighth Five-Year Plan.

Participants exchanged experiences at yesterday morning's meeting. Among those who spoke were Sun Duoxian, secretary of the Fengtai County CPC Committee; Xu Yan, secretary of the Ningguo County CPC Committee; Tang Huaimin, secretary of the Suxian County CPC Committee; Ding Junxian, secretary of the Dongzhi County CPC Committee; Shao Linsheng, secretary of the

Feidong County CPC Committee; Zhang Lianhua, secretary of the Huaiyuan County CPC Committee; Gu Jigen, secretary of the Fanchang County CPC Committee; Chen Huaigui, secretary of the Yingshang County CPC Committee; and Chang Yuxiao, secretary of the Wuwei County CPC Committee.

#### Conference Closes

OW0406223591 Hefei ANHUI RIBAO in Chinese 23 May 91 pp 1, 3

[By correspondent and reporter Xu Xizhao (6079 6932 3564)]

[Text] A provincial rural work conference came to a successful close on 22 May. Among those attending the conference were Lu Rongjing, Wang Guangyu, Yang Yongliang, Liu Guangcai, Zhao Baoxing, Wang Shengjun, Shi Lei, Shao Ming, Wang Sheyun, and Du Yijin.

At the conference, citations were given to advanced units in developing exploratory agriculture [kai fa xing nong ye 7030] 4099 1840 6593 2814]. Yang Yongliang, deputy secretary of the provincial party committee, presided over the closing session of the conference and delivered a speech. He said: Since the provincial party committee and government adopted the "Decision to Go All Out To Develop Exploratory Agriculture" in August 1988, relatively fast progress has been made in developing exploratory agriculture, and a number of advanced units in this regard have emerged from around the province. Previously, all prefectures and cities made self- examinations and appraisals of their work. Based on what they did, the provincial authorities again conducted a performance assessment and held a vote to select the advanced units. The results were then examined and approved by the provincial exploratory agriculture leading group. Four units are winners of first-class awards, seven are winners of second-class awards, and 10 are winners of thirdclass awards. In addition, nine units will be given encouragement awards, and seven units will be given good-service awards. These winners will be commended in newspapers and be given citations. Counties (cities) winning first-, second-, and third-class awards will also receive a certain amount of cash as a prize. Vice Governor Wang Sheyun read the namelist of winners. Then, leading comrades at the session presented citations to the winning units.

Lu Rongjing, secretary of the provincial party committee addressed the session. He stressed the need to deepen the study and implementation of the guidelines of the Seventh Plenary Session of the 13th CPC Central Committee, rationalize the thinking about economic development, and further improve the leading body so as to lead the vast number of cadres and masses in marching with one mind and in concert toward the goal of a relatively comfortable life.

Lu Rongjing said: Since the Seventh Plenary Session of the 13th CPC Central Committee, all localities have made earnest arrangements to study and publicize the guidelines of that session and have done a lot of concrete

work for the implementation of the guidelines in accordance with their actual conditions. In spite of these efforts, such study should continue to be deepened. We should, through the deepening of study and understanding, guide the cadres and masses to solve their ideological problems and enhance their consciousness of going toward the goal of a relatively comfortable life. Departments at all levels should conduct large-scale discussions on how to move toward the goal of a relatively comfortable life, analyze the favorable conditions as well as restrictive factors in this regard, and study and work out a suitable strategy. We should use the abovementioned discussions as a process to mobilize the masses and, through such discussions, set up concrete targets for a relatively comfortable life. We should then set up the tasks to be accomplished by various levels. Our cadres and masses are most serious in paying attention to reality. In studying the relevant documents, all localities should further sum up their experience and publicize the changes that have taken place in the province and in their respective localities over the past 10 years as well as the prospects for development in the future. Our purpose is to have everyone enhance his confidence in marching toward the goal of a relatively comfortable life by reviewing the road traversed in the past and looking ahead to the future.

Lu Rongjing pointed out: Rationalizing the thinking about economic development is a matter related to the overall economic development. Party committees and governments at all levels should pay great attention to this. If the thinking about economic development is not rationalized, some striking problems now existing in certain localities-such as uneven development, irrational structure, unstable agriculture, undeveloped industry, financial difficulty, inefficient control, and poor overall quality-will be hard to solve, and it will be impossible to realize the goal of a relatively comfortable life. In studying and mapping out the thinking about development, we should use the party's basic line as a guidance, focus on developing productive forces and raising economic efficiency, and adhere to the principle of achieving a relatively comfortable life by the end of this century. At the same time, we should pay attention to the following: First, we should properly deal with the relationship between agricultural development and industrial development, and make sure that both are promoted. Without a developed agriculture, industry cannot be developed, and the economy will lack a backing force. On the other hand, if we do not pay attention to developing industry, it will be very hard to consolidate the position of agriculture as the foundation, and our province's favorable conditions for agriculture cannot be further exploited. Facts have proven that if we exclusively develop agriculture, there will be no way out, and we cannot get rid of the problem of low agricultural output. While developing agriculture, we should go all out to develop industry, including county-run industry, village and town collective industry, and other kinds of

industry, so as to expedite the process of rural industrialization. This is the only way to get out of our predicament, speed up development, and raise the overall economic level. If everyone knows this and acts this way, then there will be a big change in our province's economy, especially the county-level economy. Second, it is necessary to enhance the market concept and attach importance to successful commodity circulation. Commodity circulation should be developed as a major undertaking. We should increase to an appropriate extent the investment in infrastructure, strive to improve the environment for commodity circulation, and make positive efforts to cultivate and develop the market system. In view of the fact that markets in central cities, commodity-circulation hubs, and major frontier towns have the characteristic of serving the needs of large areas, we should choose those places for opening regional markets, for establishing and developing markets for production elements-including funds, technology, labor, information, and real estate-and for setting up trade fairs, daily necessity markets, and farm and sideline products markets product so as to gradually form a market network. We should continue to take bold measures to encourage peasants to enter the sphere of marketing. Third, we should give priority to developing education in science and technology and see to it that the work of economic construction is put on the track of relying on advance in science and technology and on better-quality laborers. We should make full use of our province's advantages-a stronger scientific and technical work force, more accomplishments in science and technology, and extensive connection with domestic and foreign scientific research organizations—to quicken our pace of integration of science and technology with economic construction. At the same time, we should encourage all localities to seek external technical assistance and to hire scientific and technical workers from elsewhere. In short, various methods should be used to raise the quality of our staff members and workers and the cultural level of the whole people. Further efforts should be made for the overall planning of agricultural science education. Fourth, we should persist in proceeding from reality, give full play to our advantages, do hard pioneering work, and continue to develop. For many localities, developing intensive processing industry to add to the value of their local products, including mineral, agricultural, and sideline products, should be considered to be a major way of development. Where conditions permit, all-out efforts should be devoted to developing that type of economy which "puts both ends of the production process [the supply of raw materials and the marketing products] on the outside markets. In localities adjacent to cities, great efforts should be made to develop the suburban-type economy. To sum up, it is necessary to choose whatever is appropriate and develop those projects that have great potential and can yield good returns. Fifth, it is necessary to earnestly implement the principle of developing both material and spiritual civilizations and to put emphasis on achieving coordinated economic and social development. The goal of a relatively comfortable life consists of

many requirements. The work of "quadrupling the gross national product" is arduous. The task of building the spiritual civilization and achieving social development is equally complicated and arduous. In rationalizing our thinking and mapping out our plans, we must consider the need to build both the material and spiritual civilization and the work of both economic construction and social development. In particular, it is imperative to take effective measures to reduce the already too high population growth rate and pay great attention to the economical use of arable land and the protection of the environment.

Lu Rongjing emphasized: The new historical conditions and the new tasks have set higher standards for the leading bodies at all levels. Therefore, we must conscientiously strengthen the leading bodies. It is necessary to actively and properly readjust and strengthen the leading bodies. Some cadres should be selected from various counties and cities and go, by stages and in groups, to learn experiences from others in economically more developed and advanced regions, either in Anhui or in other parts of China, where the atmosphere of reform and openness is stronger and commodity production is developed. They may temporarily leave their jobs and do practice work in those advanced regions. Economically more developed localities and enterprises should offer help or send a number of cadres to work in backward regions. We should be determined to readjust any leading bodies that have long shown disunity, a mediocre work performance, and have failed to develop local economy. We should strictly enforce party discipline, uphold the principle of democratic centralism, and strengthen the unity of leading bodies at various levels. We should continue making great efforts to do a solid work in building up rural primary party organizations in accordance with the principle of "consolidating the advanced, improving the intermediate, and transforming the backward." Leading cadres at various levels should enhance their sense of attending to overall economic work, improve their ability of controlling the overall situation, closely adhere to the party's basic line, take all tasks into consideration while stressing the main ones, and earnestly do away with the practice of considering a thing as it stands and the practice of "concentrating on one thing only" in both thinking and action. To emancipate our minds is a great motivating force for our advance. Leading cadres at various levels should be widely reeducated to emancipate their minds, so that they will earnestly raise their awareness of the need for commodity economy and for reform and opening to the outside world, display an even greater pioneering spirit, and strive to create in the province an environment and atmosphere conducive to reform and opening to the outside world. We should pay attention to protecting the enthusiasm for reform among the grassroots units and the broad masses of cadres and people. We should know how to discover and sum up the good experiences of reform, encourage and support any policies and measures that are conducive to reform, encourage and support the comrades who are persistently carrying out

reform on the forefront, and earnestly solve problems and difficulties for them. The style of work has a direct bearing on the implementation of the guidelines of the Seventh Plenary Session of the 13th CPC Central Committee. Leading cadres at various levels should have a stronger notion of serving the people wholeheartedly. enhance their sense of being "public servants," make less empty talk, perform more actual deeds, seek no undeserved fame, and quietly immerse themselves in hard work. It will be necessary for them to truly go to the lower levels to conduct investigation and study, sum up experience, provide specific guidance, and draw experience from selected units in order to promote overall work. At present, there are too many meetings, documents and business activities, and they are the main obstacle to our doing a solid performance. We must make a great determination to improve the situation as soon as possible.

The advanced units in developing exploratory agriculture in Anhui commended by the conference are as follows:

First-class award winners-Jinzhai County, Quanjiao County, Langxi County, and Bozhou City; second-class award winners-Susong County, Fanchang County, Xiuning County, Huangshan District, Xiaoxian County, Huaiyuan County, and Dongzhi County; third-class award winners-Ningguo County, Lujiang County, Jiashan County, Wuwei County, Qianshan County, Dangshan County, Luan County, Shouxian County, Yingshang County, and Shitai County; encouragement award winners-Suixi County, Dangtu County, Tongling County, Xuanzhou City, Shexian County, Mengcheng County, Guoyang County, Feidong County, and suburban areas of Anging City; and service award winners—Luan Prefectural Development Office, Xuancheng Prefectural Development Office, Fuyang Prefectural Development Office, Huangshan City Development Office, Anging City Development Office, Wuhu City Development Office, and Tongling City Development Office.

# Chen Guangyi Affirms Socialist Education

HK0406070891 Fuzhou Fujian People's Radio Network in Mandarin 1000 GMT 30 May 91

[Text] Education in socialism is being carried out very impressively in Jianyang County. The authorities have seen to it that effective leadership was provided, sufficient energy devoted, and appropriate measures taken. This has effectively promoted the building of the two civilizations.

Provincial party committee Secretary Chen Guangyi recently investigated socialist education in Jianyang County. He reaffirmed Jianyang's achievements.

In spring this year, the Jianyang authorities transferred 700 county- and township-level cadres to 188 administrative villages across the county to conduct socialist ideological education geared to actual conditions. The cadres spread across the county the experiences of (Shezhou) Village, (Qikou) Township in building an ideological education position. As a result, all townships

and towns set up political work research societies, training schools for peasants, and basic-level party schools. They also used radio and television stations to do publicity work. To make ideological education more interesting, they organized villagers to read newspapers or attend theoretical or other cultural lectures. All this constituted a secure and extensive countywide network for ideological education. Apart from imbuing with perfect assurance the peasants with the superiority of socialism, all townships and towns organized the peasants to tell their own experiences, make comparisons, count money in their hands, name the assets they possess, and list the changes in their villages over the last 10 years so that the broad ranks of the peasants deeply felt that socialism was suitable for them.

Jianyang County's socialist education movement, which started several months ago, has produced results. Greater attention has been devoted to ideological education, the collective economy has grown rapidly, and the combat effectiveness of basic-level party organizations has gathered steam. So far this year, the county has built a total of 290,000 mu of farmland suitable for early and late rice, an increasing of 3,000 mu over last year. An unprecedented good momentum also emerged in constructing water conservancy works, transforming low-yield fields, afforestation, and growing of fruit trees.

# Fujian Officials to Hong Kong for Training

OW0306165891 Beijing XINHUA in English 1400 GMT 3 Jun 91

[Text] Fuzhou, June 3 (XINHUA)—South China's Fujian Province will send 22 mid-level officials to Hong Kong to participate in a 10-week program of business study and training.

The officials were selected through oral and written examinations from all the officials at or above the county level in the province. They will leave for Hong Kong on June 27.

The program will be carried out according to an agreement reached between the Fujian Provincial Government and the Chinese University of Hong Kong.

Chen Mingyi, deputy-governor of Fujian Province, said that the officials will be trained as professional management personnel, and that the province will continue to send officials to Hong Kong for business training.

#### Shen Daren at Enterprise Invigoration Meeting

OW0606081391 Nanjing Jiangsu People's Radio Network in Mandarin 0915 GMT 4 Jun 91

[From the "News" program]

[Text] The Jiangsu Provincial CPC Committee and the provincial government called a meeting of responsible persons of provincial-level departments this morning to discuss their work in reinvogorating large and medium-sized enterprises, and to mobilize people to implement a circular issued by the provincial party committee and the provincial

government on policy measures for further reinvigoration of such enterprises. The meeting called on various provinciallevel departments to further unify their thinking, improve their workstyle, and to work hard to ensure the implementation of these policy measures.

Comrades Shen Daren, Chen Huanyou, and Han Peixin made important speeches at the meeting, which was chaired by Comrade Dai Shunzhi.

Large and medium-sized enterprises are the important pillars or backbone of the province's economy and the main sources of its revenues. The province had 1,237 large and medium-sized industrial enterprises by the end of 1990. Reinvigorating large and medium-sized enterprises is of the utmost importance for readjusting the province's industrial structure, pursuing a pioneering strategy for the development of an export-oriented economy, improving the quality of the economy and economic efficiency, and increasing revenues.

Since the start of reform and opening to the outside world, the vitality of large and medium-sized enterprises has increased to some extent. However, such enterprises are still faced with many difficulties and problems:

- 1. Enterprises have no adequate decisionmaking powers; control of the enterprises is too rigid and excessive, an important factor that adversely affects their vitality.
- 2. Enterprises have yet to fully enjoy the basic rights granted to them in the enterprise law, and various links in the management and operation of the enterprises are restricted in various ways. It is difficult for enterprises to exercise their powers in the distribution of income, employment, and personnel affairs. This makes it impossible for them to set up an effective mechanism of encouragement.
- Chain debts have been cleared up several times, but when such old debts are paid, enterprises run into new ones. The general amount of such debts remains about the same.
- Enterprises' capability for technical transformation is not strong.

After holding repeated discussions and listening to opinions from various quarters, the provincial party committee and the provincial government, while stressing the implementation of current policies, have adopted policy measures to reinvigorate enterprises in five aspects:

- 1. It is necessary to speed up technical transformation and encourage the development of new products.
- 2. Enterprises' operating funds should be replenished through various channels. Banks should give priority to granting rational loan requests by large and medium-sized enterprises. [words indistinct]
- Conscientious efforts should be made to implement the enterprise law, further allow enterprises to exercise their decisionmaking power, and continue to implement the system of full responsibility for factory directors or managers.
- 4. It is necessary to effectively reduce enterprises' burdens and maintain strict control over the industrial use

of electricity and over cotton prices according to regulations, and to resolutely stop any indiscriminate imposition of fees or fines. The appraisal of products through comparison and work inspections should be controlled by competent departments.

5. Adequate support should be given to enterprises with special difficulties. Enterprises that are approved by the provincial government as enterprises with special difficulties should be given support in taxation and credit. Such enterprises should be encouraged to merge with others or to engage in diversified economic undertakings.

# Wu Bangguo Interviewed on Shanghai's Future

HK0306155191 Hong Kong WEN WEI PO in Chinese 27 May 91 p 2

["Special interview" by staff reporters Yao Hsin-pao (1202 2946 0202) and Ho Ping (6320 1627): "Shanghai Will Not Backtrack: Interviewing Wu Bangguo, Secretary of Shanghai Municipal CPC Committee"]

[Text] Since Zhu Rongji, who has been praised at home and abroad, was transferred from Shanghai to the central authorities to assume a post, will the development of Pudong and rejuvenation of Shanghai be affected? Many people have discussed this question. How does Wu Bangguo, successor to Zhu Rongji and the newly-appointed Secretary of Shanghai Municipal CPC Committee, approach this question?

# Upward Transfer of Zhu Rongji Is Beneficial to Shanghai

While meeting and being interviewed by Chang Yun-feng, chief editor of this newspaper, and his party in the courtyard of the municipal party committee on Kangping Road, Shanghai, Wu Bangguo answered this question. He said: Regarding all important questions in Shanghai, policy decisions are made after discussion by the municipal party committee. Of course, as Zhu Rongji was the No. I man, he played a very important part indeed. However, as policy decisions are, after all, made collectively, they will not change because of a change in the principal leader. Furthermore, Huang Ju (note: newly-appointed mayor and formerly executive vice mayor) and myself were among those participating in the making of policy decisions. Now that the previous principles and policies are correct, we surely will not nullify ourselves.

From another angle, Wu Bangguo also dealt with the benefit to Shanghai brought about by the transfer of Zhu Rongji to the central authorities. He said, smiling: When Rongji works in the Circle of the central authorities, he cannot only take Shanghai into consideration and must speak "Beijing language" (it means speaking on behalf of the central authorities) in a position for the whole country but he also knows "Shanghai dialect" (signifying Shanghai's situation). The central authorities have one more person who knows Shanghai and this, at any rate, is beneficial to Shanghai.

When Zhu Rongji was in office in Shanghai, he worked together with Jiang Zemin in the initial period, Jiang doing party work and Zhu in charge of government. Subsequently, Jiang Zemin was transferred to the post of general secretary of the CPC Central Committee and Zhu was the mayor, and was concurrently appointed secretary, doing party and government work together. Now, the mayorship has been taken over by Huang Ju and the secretaryship by Wu Bangguo. How do they coordinate with, and support each other after the work is divided?

Wu Bangguo told the reporters a little episode: While attending the National People's Congress [NPC] more than a month ago, I asked Zhu Rongji when the work would be taken over. Zhu Rongji said: There is nothing to take over. The work was already in the hands of you two long ago. I think that the municipal party committee and the municipal government have coordinated with each other very well. After that, Wu Bangguo said: For two years in the past, Rongji mainly concentrated his energy on the solution of important problems and gave Huang Ju and me a free hand in the day-to-day business of the municipal party committee and municipal government. We two are, as it were, old partners.

#### Wu Bangguo and Huang Ju Are "Old Partners"

Viewing Wu's and Huang's antecedents, the term "old partners" is really true. Both of them began their life as factory technicians and were promoted very quickly. They joined Shanghai's policymaking group together in 1983. Wu was a member of the municipal party committee standing committee and concurrently the secretary of the party committee of the municipal department of science and technology, and Huang was a member of the municipal party committee and concurrently the secretary of the party committee of the municipal department of industry. At that time, Wu was 42 years old and Huang was 44 years old. They were very young for a post at the level of departmental deputy. The two were promoted to deputy secretaryship of the municipal party committee at the same time in 1985. A little change in 1986 was that Huang Ju was no longer in charge of party affairs but was concurrently appointed an executive vice-mayor to assist the then mayor, Jiang Zemin and his successor Zhu Rongji, in the work of the municipal government. Perhaps this change made it logical that Wu and Huang assume the secretaryship and the mayorship respectively today. There was also a coincidence: Both Wu and Huang were graduates from Qinghua University. Wu studied radio electronics and graduated in 1967 whereas Huang studied sectional engineering and graduated in 1963.

When the topic of conversation shifted to the issue of reform and opening up, Wu Bangguo told us the passage in answer to the question put forward by the premier of Queensland, Australia. He said: China has been able to develop in the last 10 years because of reform and opening and it is impossible to shrink back. Nobody can do this. It is impossible to require Shanghai to return to the time when 80 to 90 percent of economic work was

covered by mandatory planning because practice proves that reform and opening up are good. Although there are some changes and readjustments at some times, this is controlled by basic economic laws and you have to retrench a bit, the general trend is further reform and opening up.

# Development Is Quicker Than in the 1980's

Wu continued: We recently asked the party committee secretaries of all the counties of Shanghai to attend a meeting and they had a common feeling that development in the 1990's will be quicker than in the 1980's. A county party committee secretary said that at the beginning of the 1980's, nobody dared to think of running a Sino-foreign joint venture, a Sino-foreign contractual joint venture, or a wholly foreign-owned enterprise but this began to come true later and they did not know how to hold negotiations. The secretary's statement is reasonable. In the initial period of the 1980's, the state was bringing order out of chaos, did not implement many policies, many restrictions were not lifted, and grievances, trumped-up cases, and miscarriages of justice of many cadres, old experts, and personages in industrial and commercial circles were not redressed and corrected. At the same time, as reform and opening up had just commenced, there was no experience of anything and we could only try to find out a way. The situation now is surely completely different. On the foundation of the 1980's, it is completely possible that development in the 1990's will be even quicker than in the 1980's.

# Huang Ju Heads Quality Leading Group

OW2105095791 Beijing XINHUA in English 0807 GMT 21 May 91

[Text] Beijing, May 21 (XINHUA)—"Quality is the life of Shanghai City" has been a popular slogan adopted over the past two years by various industrial enterprises in China's largest industrial municipality.

A new drive to promote quality amongst the various trades has been carried out in the city. The Shanghai Municipal Government founded a special quality leading group, led by Mayor Huang Ju, to ensure that quality work is taken as an important part on the agenda, according to today's PEO-PLE'S DAILY [RENMIN RIBAO].

The municipality's various departments have drafted regulations and laws related to strengthening the quality work. The city government has called on all enterprises and workers to consider quality as the number one priority in production activities.

The drive has greatly helped to improve the quality of Shanghai's industrial products. Last year, eleven of the city's products won gold medals and seven projects won state quality engineering medals.

The Shanghai No. 5 steel plant, and the city's cable plant, as well as the Shanghai railway station received state awards as "Quality Management Enterprises."

The Shanghai Xiechang sewing machine factory has developed a new variety of products and has increased the variety of sewing machines it produces from three to 22. Last year, the factory's sales volume for sewing machines amounted to one-fourth of the country's total sale volume for the product, while its export volume accounted for one-third of the country's total.

The Shanghai press, including newspapers and broadcasting and television stations, have also co-operated with the drive to promote quality.

# **Explains Pudong Development**

OW0206135191 Shanghai People's Radio Network in Mandarin 2200 GMT 31 May 91

[From the "Morning News" program]

[Text] The Japanese Broadcasting Station, NHK, and this station successfully cooperated for the first time recently in producing a set of special radio programs on the development of Pudong. Today NHK Radio International will first beam this program, entitled "Japan-China Economic Forum—Shanghai's Development Program Oriented toward the 21st Century," to Japan and Southeast Asia.

Huang Ju, mayor of Shanghai Municipality, (Sha Lin), deputy director of the Office for the Development of Pudong, and (Yuan Enzhen), deputy director of the Economic Research Institute of the Chinese Academy of Social Sciences have participated in this program at the invitation of the Japanese and Chinese sides.

Mayor Huang Ju expounded the progress, significance and characteristics of the development of Pudong, and through international communications links, had a frank exchange of views with Yuji Miyamoto, Ryoichi Kawai, (?Kazuo Haruaki) [Chun Ming He Xiong], and other Japanese political and financial figures concerning the development of Pudong, which is of interest to both sides.

Today is the 50th anniversary of NHK's international broadcasts. That the Japanese side has selected the development of Pudong as the main topic to produce a special program marking its anniversary signifies that the development of Pudong is receiving greater attention from the international media.

#### Central-South Region

# **Drug Problem in Guangzhou Worsening**

HK0206044491 Hong Kong MING PAO in Chinese 1 Jun 91 p 6

[Report by Yan Chun (0917 0193): "Number of Drug Addicts in Guangzhou Sharply Increases"]

[Text] According to the data provided by the public security department in Guangzhou City, the number of drug addicts in the city has been increasing sharply. In 1988, the number of drug addicts was less than 100; but in 1989, the number increased to several hundred; and in 1990, the number sharply increased to nearly 10,000. The drastic increase in the number of drug addicts has become a serious social problem.

Moreover, the figures mentioned above were based on incomplete statistics mainly from the discovered cases of drug addiction and from the number of people seeking help for quenching addiction. It is believed the number of undiscovered addicts is more than the number of those that have been discovered. This is a rather startling figure in a city with a population of some 4 million.

Reportedly, there was also a worrisome change in the job pattern of drug addicts. In the past, most addicts were jobless people or self-employed workers; but addicts have now also been found among workers, clerks, and peasants. Even a small number of cadres and students also became drug addicts. In the past, addicts were all men; but female addicts have now also been discovered. In the past, most addicts were young or middle-aged people; but now, addicts have been found in various age groups, and there are a considerable number of old addicts and more juvenile addicts at 12 to 13 years of age. The youngest addict is a nine-year-old boy. Moreover, a drug addict was recently discovered among new recruits in a military unit stationed in Guangzhou.

According to sources, drug addiction is a major crimecausing factor, and this has been demonstrated by many criminal cases in Guangzhou. An average drug addict has to spend dozens of yuan a day on drugs; and some heavy addicts even have to spend 100 to 100 yuan a day. No people can afford this by relying on normal earnings. So many drug addicts had to act in desperation and commit crimes. In Guangzhou, some 80 percent of those involved in such serious cases as killing policemen and robbing jewelry shops were drug addicts. The direct motive of taking away huge sums of money by illegal means was to buy drugs. A gang chieftain confessed to the police that he had no money to buy drugs and could only commit robbery, and he needed to commit three or four robberies in order to get sufficient money. In another case, a section-level cadre confessed that he embezzled public money in order to buy drugs after he was heavily addicted. After being sentenced by the court, he was sent to a drug addicts' rehabilitation center for stopping addiction. He hated people who lured him into addiction and was deeply repentant.

# Guangzhou Reports Rise in Smuggling Cases

HK0406155191 Hong Kong ZHONGGUO TONGXUN SHE in Chinese 1206 GMT 25 May 91

[Report: "Guangzhou's Smuggling Cases in First Quarter Rise by Over 90 Percent Over Same Period Last Year"—ZHONGGUO TONGXUN SHE headline]

[Text] Guangzhou, 25 May (ZHONGGUO TONGXUN SHE)—As the city of Guangzhou continues to step up investigations and cracks down on smuggling activities,

some 526 related cases have been uncovered and processed in the first quarter of this year, while fines and confiscations have been valued at more than 20 million yuan. This represents an increase of more than 90 percent over that of the same period last year.

Looking at the various smuggling cases which have been uncovered and processed, most of the smugglers are unlawful elements from the eastern line and coastal regions of Guangdong Province, while those from other provinces are mostly people from Xinjiang. By conniving with people in and out of the province, and joining up with unemployed Guangzhou City residents or self-employed people, they peddle their smuggled goods in suburban hotels, restaurants and guesthouses. New trends have developed in smuggling activities, reflected primarily in the following:

- —A rise has been noted in the smuggling of high-end watches. Compared with smuggled watches of previous years, the amount of smuggled medium- and high-end watches has risen. A large amount of "Ernest Borel" watches which have been confiscated were brought into the territory illegally by unlawful elements from Hong Kong. These were turned over to self-employed people in Guangzhou City who then sold them at 340 yuan to 1300 yuan per piece, reaping enormous profits from the operation for the smugglers.
- —The secret transport of half-duty medical and photographic equipment out of the special economic zones, and their sale at outrageous prices in other places has been very prominent. Some 50 similar cases have been uncovered since 1991. For instance, a certain company in Hong Kong entered into a joint venture with a certain privately run enterprise in Guangzhou to import photographic developing services. The Hong Kong side then colluded with a company in Xiamen to import half-duty films which should have been restricted for use in the special economic zone only and which were worth some 4 million yuan. The films were then sold to this privately run enterprise in Guangzhou which then sold them again for profit to certain cities and counties along the Zhujiang delta region.
- —An increase of, and no relaxation noted in, the smuggling of gold, drugs, and textiles. In the first 3 months of this year, the city has cracked down on five cases involving the smuggling and resale for profit of gold. It has also uncovered six cases of drug smuggling and confiscated heroin, opium and cocaine, the amount of which far exceeded the sum total for the first 6 months of 1990.

Furthermore, some fishermen and boatmen continue to smuggle in color televisions and video cassette recorders by using small boats. Meanwhile, cases continue to surface where Xinjiang smugglers transport color televisions from Guangzhou and sell them for profit in the city of Panyu.

#### Zhao Fulin Addresses Science Conference

HK2405134891 Nanning Guangxi People's Radio Network in Mandarin 1030 GMT 23 May 91

[Text] The regional science and technology conference held jointly by the regional party committee and people's government was solemnly inaugurated in Nanning yesterday afternoon.

Cheng Kejie, regional party committee deputy secretary and regional people's government chairman, presided over the conference.

Cheng said: The conference's main tasks are: to further study and implement the spirit of the seventh plenary session of the 13th party central committee; to unswervingly promote regional economic and social development by relying on advanced science and technology; to earnestly heighten understanding of science and technology's strategic position and role; to study ways and means to further invigorate scientific and technological policies and combine scientific research with scientific and technological achievement popularization; to expand channels through which science and technology can be transformed into productive forces; to revise and formulate a regional scientific and technological development plan aimed at promoting Guangxi's development.

The regional party, government, and military leaders attending the conference included: Zhao Fulin, Cheng Kejie, Ding Tingmo, Li Zhenqian, Peng Guikang, (Li Enchao), (Wang Ruguang), Gan Ku, Chen Huiguang, Wei Zhangping, Shi Zhaotang, Wang Rongzhen, Chen Ren, Long Chuan, Hou Depeng, (Liu Chunliang), and (Zhan Kexun).

Wei Chunshu, central Advisory Committee member; Wei Chengdong, central Discipline Inspection Commission member; (Wang Libin), retired veteran comrade; and Wu Jingxue, regional science and technology commission chairman also attended the conference.

Li Xue, executive vice minister of the State Science and Technology Commission, and his eight-member entourage especially came from Beijing to give their guidance to the conference.

The conference was attended by a total of 640 people, including responsible persons of various regional departments, commissions, offices, and bureaus; responsible persons of mass organizations at the regional level and the Jiusan Society's regional branch; responsible persons in charge of science and technology from various prefectural, city, and county party committees and governments; responsible persons of a number of higher learning institutions and scientific research institutions; national- and regional-level outstanding scientific and technological personnel; and responsible persons of the Guilin and Nanning Technology and Industry Development Zones.

Zhao Fulin, regional party committee secretary, delivered a speech at the conference.

In his report entitled, It Is Necessary To Unswervingly Take the Road of Relying on Advanced Science and Technology, Zhao Fulin stressed: We must conscientiously study and implement the spirit of the seventh plenary session of the 13th party central committee and the spirit of the Fourth Session of the Seventh National People's Congress [NPC], formulate our regional scientific and technological development tasks and measures in light of our local conditions, and mobilize the people of all nationalities across our region to unswervingly take the road of relying on advanced science and technology, vigorously develop science and technology, and push ahead with our region's grand socialist modernization cause.

Zhao Fulin said: Since the third plenary session of the 11th party central committee, party committees and governments at all levels and the broad masses of cadres and people in our region have continually deepened their understanding of the position and role of science and technology in socialist modernization building. As a result, our region has witnessed a relatively rapid scientific and technological development. Nevertheless, generally speaking, our region's scientific and technological development still falls short of the advanced national standard. With regard to this, Zhao emphatically pointed out: It is necessary to heighten understanding. unify ideology, make scientific and technological development a pressing task for the whole party and the whole people, and earnestly and firmly carry out this task in order to push ahead with scientific and technological advancement, give full scope to the role of science and technology which constitute the first productive forces, and guarantee the fulfillment of Guangxi's Eighth Five-Year Plan and 10-Year Program.

With regard to earnestly promoting economic construction by relying on advanced science and technology, Zhao Fulin said: In the next decade, especially in the Eighth Five-Year Plan period, our regional scientific and technological work should center on popularizing and applying mature, applicable, and complete sets of scientific and technological achievements. We should also greatly popularize and apply scientific and technological achievements scored within and without our region as well as scientific and technological achievements scored by foreign countries. He stressed: It is necessary to promote agricultural development by relying on science and technology, continue to promote industrial development by relying on science and technology, actively develop high-grade and precision technologies and their related industries, strengthen basic science and soft science research, and closely combine scientific research with scientific research achievement popularization. In the meantime, it is also necessary to develop education and train qualified personnel.

Zhao Fulin emphatically stated: In the future, we must concentrate our efforts on the following aspects of work:

to further relax control over scientific research institutions:

- to further relax control over scientific and technological personnel;
- to continue to open up technology markets and expedite commercialization of technological achievements:
- 4. to guide and encourage enterprises to carry out technological transformation, develop new products, improve product quality, and increase economic results by relying on advanced science and technology;
- 5. to guide and encourage rural areas to reduce input, increase output, increase efficiency, and improve farm product commodity rate by relying on advanced science and technology:
- 6. scientific and technological departments, scientific research units, and enterprises should actively import advanced technologies from other provinces and regions as well as from foreign countries in a planned way and turn such technologies into productive forces as soon as possible:
- 7. to strengthen legislation relating to science and technology.

Zhao Fulin finally stressed: It is imperative to strengthen party and government leadership over scientific and technological work. Party committees and governments at all levels must place scientific and technological work high on their work agendas, listen to scientific and technological work reports at regular intervals, conscientiously discuss scientific and technological development plans, policies, and measures, and timely study and tackle problems and difficulties emerging in scientific and technological development.

Zhao Fulin called on all the comrades to rally closely, work harder, seek truth, make new inventions, forge ahead, make progress, and strive to further push ahead with Guangxi's scientific and technological development and attain the second-stage strategic goals of Guangxi's socialist modernization building.

Comrade Li Xue, executive vice minister of the State Science and Technology Commission, also delivered a speech at the conference. He said: Guangxi is full of promise. So long as all trades and professions fully understand the importance of scientific and technological development and earnestly rely on advanced science and technology, Guangxi will undoubtedly scale the advanced national standard.

The conference conferred certificates of merit on scientific and technological personnel, who had won the 1990 National Scientific and Technological Development, Guangxi Scientific and Technological Development, or Spark Program Prizes, and on outstanding regional-level scientific and technological personnel.

# At Children's Day Celebrations

HK0406035891 Nanning Guangxi People's Radio Network in Mandarin 1030 GMT 31 May 91

[Excerpts] This morning, Nanning City's Nanhu Park, which is famous for its scenic beauty, was permeated with an atmosphere of gaiety.

Holding fresh flowers and colored balloons in their hands, more than 4,000 Nanning City Young Pioneers held a solemn ceremony to celebrate 1 June Children's Day there. [passage omitted]

Regional party and government leaders, including Zhao Fulin, Cheng Kejie, Ding Tingmo, (Wang Zhuguang), Zhao Mingjian, and Hou Depeng, as well as Central Advisory Committee Member Qin Yingji attended the celebration ceremony.

On behalf of the regional party committee and people's government. Ding Tingmo, regional party committee deputy secretary, delivered a speech. [passage omitted]

# Deng Hongxun Urges Technological Progress

HK0506070391 Haikou Hainan People's Radio Network in Mandarin 2300 GMT 3 Jun 91

[Summary from poor reception] The first provincial science and technology conference was solemnly opened.

Provincial party committee Secretary Deng Hongxun addressed the conference. He listed 10 tasks for promoting scientific and technological progress for the Eighth Five-Year Plan period including applying scientific and technological achievements in more areas, deepening the reform of the management system for science and technology, respecting science and technology and trained people, attaching great importance to developing science and technology, strengthening leadership over the work in science and technology, and encouraging the public to learn science and technology, and so on.

#### Hou Zongbin Addresses Henan Religious Forum

HK0406124891 Zhengzhou Henan People's Radio Network in Mandarin 2200 GMT 3 Jun 91

[Text] On 1 June, the provincial party committee and government jointly held a forum attended by responsible persons of various patriotic religious organizations.

Hou Zongbin, provincial party committee secretary; Hu Jichuan, provincial party committee deputy secretary; (Wang Jingyong), provincial party committee standing committee member and vice provincial governor; Wu Shouquan, provincial party committee united front work department director and provincial women's federation president; as well as responsible comrades from various departments concerned attended the forum.

The forum was permeated with a warm and harmonious atmosphere.

Comrade Hu Jichuan first took the floor to give an account of provincial party committee's recent discussions and decisions on religious affairs.

Responsible persons of the provincial Buddhist association, Catholic association, Islamic association, Christian association, Taoist association, and other patriotic religious organizations spoke at the forum. They unanimously held: Since the Third Plenary Session of the 11th Party Central Committee, the provincial party committee and government have scored phenomenal successes in implementing religious policies and carrying out work relating to religious affairs. They also put forth a number of proposals and views on how the provincial party committee and government should further strengthen leadership over religious work in the future.

After conscientiously listening to the speeches made by the participants, Comrade Hou Zongbin fully affirmed achievements scored by various patriotic religious organizations in our province in respect of educating and organizing the broad masses of religious believers to actively participate in the two civilizations building. He expressed the hope that various patriotic religious organizations in our province will continue to implement the party's religious policies under the leadership of party committees and governments at all levels and continue to carry out their activities within the scope stipulated by the Constitution and the party policies and in light of the local realities to safeguard socialism and actively participate in various endeavors aimed at promoting Henan's development.

# Guan Guangfu Views Mountainous Area Work

HK0406060091 Wuhan Hubei People's Radio Network in Mandarin 1130 GMT 31 May 91

[Excerpts] On the afternoons of 24-25 May, Guan Guangfu, provincial party committee secretary; Qian Yunlu, provincial party committee deputy secretary; Li Daqiang, provincial party committee standing committee member and vice governor; and Zhang Huainian, vice provincial governor, listened to reports given by inspection groups dispatched to inspect the policy implementation situation in mountainous areas; studied next-stage construction, assistance to the poor, and development work in mountainous areas; and strongly called for firmly implementing assistance to the poor and development policies in mountainous areas in accordance with the important decisions made at the two mountainous area work conferences held jointly by the provincial party committee and government.

In order to deepen implementation of the spirit of the seventh plenary session of the 13th party central committee, the assistance to the poor and development principles and policies formulated by the party Central Committee and the State Council, and the spirit of the two aforementioned mountainous area work conferences, the general offices of the provincial party committee and the provincial government jointly organized and dispatched five inspection groups to various prefectures, cities, autonomous prefectures, and counties in

mountainous areas to inspect the situations concerning assistance to the poor, policy implementation and leading body, party style, and honest government building. [passage omitted]

At the report meeting, responsible comrades of the provincial party committee and government stressed: All mountainous areas, as well as all levels and departments across the province, must first of all heighten understanding of the importance of speeding up assistance to the poor and development work in mountainous areas, make full use of the findings of the inspection groups dispatched by the provincial party committee and government, and further push ahead with and promote policy implementation in mountainous areas. [passage omitted]

Guan Guangfu emphatically pointed out: At present, the assistance to the poor and development work in mountainous areas should mainly aim at studying and solving the following three questions:

- To specifically help several counties and cities in mountainous areas, which are plagued by serious financial problems, strengthen investigation, study, and analysis with a view to speeding up their economic development and enabling them to embark on a benign circle;
- To help counties and cities in mountainous areas tackle the problem of purchasing and selling grain at the same time;
- 3. To solve the problem of excessively heavy taxes on forestry products in order to strengthen the self-development capability of mountainous areas.

Guan Guangfu stressed: One of the important experiences summed by the inspection groups sent to the mountainous areas is to transform work style and firmly grasp policy implementation. To this end, first, it is necessary to increase policy flexibility; second, it is necessary to make policies concrete. [passage omitted]

Guan Guangfu went on: Moreover, we should publicize the successful methods employed by the inspection groups sent to inspect assistance to the poor and development work in mountainous areas to industrial and circulation fields in hopes of invigorating large and medium-sized enterprises, surmounting difficulties in grain marketing, and tackling other problems. [passage omitted]

Qian Yunlu pointed out: The investigations conducted by the inspection groups have given a powerful impetus to the development and construction of mountainous areas, made clear the basic situation concerning implementation of the policies of the central authorities and the provincial party committee, and provided a sound basis for our work improvement in the future. [passage omitted]

# Discusses Production Problems

HK0506022591 Wuhan Hubei People's Radio Network in Mandarin 1130 GMT 2 Jun 91

[Text] Provincial party committee Secretary Guan Guangfu was in Xiangfan City 30-31 May to listen to reports made by the city party committee and government on agricultural and industrial production.

While speaking about agricultural production for 1991, Guan Guangfu said: A bumper grain and oil-yielding crop harvest is expected this summer. However, the recent bad weather has unfavorablly impacted on the summer harvest. All levels of party committees and governments must immediately send cadres to the grassroots units to mobilize the masses to combat natural disasters and get the harvest in quickly to guarantee that every extra grain of summer crops is gathered in.

Guan Guangfu stressed: It is necessary to make concerted efforts and try in every possible way to solve the problem of insufficient funds for the summer harvest. To do solid and good things for the peasants, first of all we must do a good job purchasing farm produce and sideline products, making sure that the peasants are payed for what they have delivered to the state, and improving our attitude in attending to them. This concerns the party-people and cadre-people relations as well as implementation of the party's policies in rura' areas. From a long-term point of view, we can, by properly solving this problem, protect the peasants' enthusiasm for protection and promote sustained and stable development of agricultural production.

Guan Guangfu called on all localities to be mentally prepared to strive for bumper harvests through combating natural calamities. While ensuring a successful summer harvest, they should keep a firm grip on growing autumn crops and on field management.

As regards industrial production, Guan Guangfu pointed out: In developing industrial production, we must try our best to tap innate potential and make vigorous efforts to develop new products and exploit new markets. He fully reaffirmed Xiangfan City's practise of emphasizing new products development while trying to make 1991 a year of quality, variety, and efficiency and spoke highly of the new product development fund established by Xiangfan. He hoped they would continue to explore new ways and make great efforts to put their plans into practise.

Guan Guangfu said: Only when we succeed in ensuring growth in new products and those products that are readily marketable and in short supply can we effectively check the production of poor quality products or those products that are excessively stockpiled and improve economic efficiency. Cities like Xiangfan, which enjoy a fairly high level of industrial production capacity, should be bold to develop brandname quality products, strive to be the first, and build up markets for their readily marketable products outside the province and the country, expanding the area where their products are available. All localities should establish a new product development fund and organize development contingents. Without this, development of new products would be out of the question. He also appealed for realignment of imported equipment so that it will play a greater role in developing new products.

#### Hubei Governor Visits Flood-Stricken Areas

HK2705100191 Wuhan Hubei People's Radio Network in Mand 1120 GMT 24 May 91

[Text] By yesterday Xianning Prefecture had been hit by extraordinarily torrential rain for three days in succession and heavy losses were incurred.

Governor Guo Shuyan, who had been making investigations and studies in this prefecture, together with (Xi Xiaochun), secretary of Xianning Prefectural CPC Committee and Commissioner (Zhou Shaobi), has been to Tongshan and Puqi over the last few days to find out about the state of the disaster and visit the victims. He called on the broad masses of cadres and people there to wholeheartedly combat the floods, guard against potential floods, and launch a drive to survive the disaster on their own

According to incomplete statistics, the extraordinarily torrential rain affected 83 villages and towns throughout the prefecture. The most seriously afflicted areas were Tongshan County, Chongyang County, and Puqi City.

Since the torrential rain, Governor Guo Shuyan has visited Puqi City, Huanggai Hu, and Dafan in Tongshan County to discover the situation, and instructed provincial departments concerned to send special work groups to the disaster areas to help the people there tide over the disaster.

Xianning Prefecture was immediately galvanized into action to combat and control the floods. The cadres of all levels of flood-control headquarters have been on duty around the clock. A total of 8,500 cadres and 435,000 laborers took part in the valiant struggle against the disaster; 75 motor-driven boats and junks and drainage machines of 28,000 kilowatts have been involved in the relief work; and so far 750 tonnes of diesel oil and a lot of materials have been transported to where they are most needed.

# Inspects Xianning Prefecture

HK2905050991 Wuhan Hubei People's Radio Network in Mandarin 1130 GMT 25 May 91

[Excerpts] While Governor Guo Shuyan was recently conducting an investigation and a study in Xianning Prefecture, he pointed out: The main idea of the economic work in the coming years is to increase the province's peasant per capita income by 50 yuan a year. This must be regarded as the general strategic target of our province's rural work in the Eighth Five-Year Plan period. It is necessary to really strengthen enterprise management, to push forward a coordinated process of technological development, to increase the amount of stock with a lower amount of increased investment so as to improve our province's economic quality.

Accompanied by (Shi Xiaochun), secretary of Xianning prefectural party committee; and (Zhou Shiji), commissioner, despite the wind and rain, Guo Shuyan led the responsible persons of the provincial finance office.

agricultural commission, planning commission, economic commission, and the offices for supporting the orphans and the poor to investigate 29 factories. These included the Hubei Generator Plant, Xianning Prefecture Mining Machinery Plant, Xianning City Cigarette Material Factory, Jiayu County Sugar Refinery, (Guanqiaoba) Factory, Puqi City Paper Mill, (Pufa) General Factory, (Tianlong) Company, Tongshan County (Lutianshan) Tangerine Factory, Tongcheng (Haiyou) Brick Works, Chongyang County (Tianban) Machinery Plant, in five counties and cities; (Jiyuan) Tea Farm; and six villages and groups. [passage omitted]

On the afternoon of 24 May, Governor Guo listened to the reports by the Xianning prefectural party committee and commissioner's office. In conjunction with the situation in this investigation. Guo Shuyan delivered an important speech on the main idea of the future economic work and the relevant questions of the building of leadership groups. He said: In agriculture, our province's foundation is good. Bumper harvests of main agricultural products, including grain, cotton, and oil-bearing crops, have been reaped for many years running. However, the peasant per capita income has not been raised quickly. According to the development target of our province's Eighth Five-Year Plan and 10-Year Program, we must ensure that the peasant per capita income in the Eighth Five-Year Plan period increases by 50 yuan a year. We must regard this as the general strategic target of our province's rural work in the Eighth Five-Year Plan period, as a rigid target to measure the level of the rural economic development of our province, and as an important target to assess the cadres' achievements in their official career. We must really achieve good results in this work.

How do we attain this target? In the light of the experience gained in Xianning Prefecture, Governor Guo proposed: It is necessary to emphasize the following aspects of this work:

- It is essential to unify understanding. We must really regard an increase in the peasants' income as the starting point and end-result of future rural work and as a basic guiding idea.
- 2. Centered on an increase in the peasants' income, all places must take such measures as are suitable to local conditions to seriously carry out the Eighth Five-Year Plan at the township and village levels and ensure that the plan is carried out by the peasant households.
- 3. It is imperative to give full play to the role of the departments of agricultural science, technology, and education. Through training and giving guidance in many forms and the way of vigorously developing vocational education, a person of each household in the rural areas of the whole province is trained to be familiar with practical technology in one or two fields or to be good at management.
- 4. It is necessary to vigorously strengthen the building of the structure of rural socialized services and to provide comprehensive services before, during, and after production.

- It is essential to vigorously develop the rural industry and to unremittingly strengthen the actual strength of the collective economy.
- 6. Prefectures, counties, cities, townships, and towns must send one-third of their cadres to the rural forefront to grasp socialist education with one hand and to grasp the building of the rural grass-roots political power with the other hand. They must give vigorous organizational guarantee for the implementation of all principles, policies, and measures of the party and government. [passage omitted]

# Urges Technological Progress

HK0506052391 Wuhan Huber People's Radio Network in Mandarin 1130 GMT 2 Jun 91

[Excerpts] The seventh provincial meeting on promoting technological progress in enterprises was held in Wuchang 28-31 May. The meeting analyzed the work to promote technological progress in enterprises provincewide in the Seventh Five-Year Plan, devoted more time to studying the plan for promoting technological progress in the Eighth Five Year Plan, and made further arrangements to promote technological progress this year.

Governor Guo Shuyan attended the meeting and delivered a speech. Vice Governor Xu Penghang made a work report. [passage omitted]

In his speech, Comrade Guo Shuyan said: Daring the Eighth Five-Year Plan, we must further rely on scientific and technological progress and improve the quality of the work force for economic development. This has the same far-reaching strategic importance as the shifting of the strategical focal point 10 years ago. All walks of life throughout the province must gain a deep understanding of this and further enhance their sense of responsibility for promoting scientific and technological progress and sense of urgency for improving the quality of the work force and put related plans into practise. They must make up their minds and work the hardest to promote scientific and technological progress.

Guo Shuyan stressed: In promoting technological progress, we must proceed under clear ideological guidance and accurately select the main direction of advance. To promote technological progress in the Eighth Five-Year Plan, we must pay attention to the following:

1. It is necessary to stress and concentrate our energy on the key tasks. Especially at present when we have a fund shortage, we must concentrate limited financial and material resources on key projects. We must make every key task successful once we have applied our minds to it to attain economic efficiency as required.

We must upgrade technology by centering on those industries which produce popular items or products which have an edge over others so that they will become

pillar industries as soon as possible.

We must do a good job developing new products which are of great importance. Some 100 major new products which are of a higher technological level are to be developed every year and related technological innovations made so that the new products will become hot items. [passage omitted]

Sheng Shuren, vice minister of the State Planning Commission was present and made a speech.

# Xiong Qingquan Inspects Hunan Rural Enterprises

HK2705140091 Changsha Hunan People's Radio Network in Mandarin 2200 GMT 24 May 91

[Text] From 21-23 May, provincial party committee Secretary Xiong Qingquan, accompanied by only a few cadres, went right to the paddy fields, workshops, and peasant households in Changsha County to solicit opinions on rural work from cadres and the masses at the grass-roots level.

While inspecting rural enterprises, Comrade Xiong Qingquan pointed out: Rural enterprises must improve product quality and efficiency through application of science and technology. To promote scientific and technological progress is in reality a matter related to trained people. We must make greater efforts to import intelligence and train qualified people.

While talking about grain production, diversification of the rural economy, and production of specialized households, Comrade Xiong Qingquan said: Efforts should be made to further improve the dual management system characterized by unity and separation and to develop the collective economy and [words indistinct] economy. It is necessary to provide [words indistinct] and quality services for the peasants. Developing the collective economy is aimed at improving services rather than entering rivalry with peasants over profits.

He called on all cadres and the masses throughout the county to keep firmly in mind Chairman Mao's teaching that modesty helps one to go forward, whereas conceit makes one lag behind. We must be aware that there are pioneers ahead of us and pursuers behind. We must try to be the first in raising comprehensive economic performance and increasing the peasants' income.

While making an inspection of Pingjiang County, he went to (Jinlong), (Lanjiang), and other districts which had been hit by floods two days before, and, with the help of local leaders, sent 2,000 grass-roots cadres to the disaster area to help the victims restore production. By yesterday, most of the inundated fields had been restored, various water [words indistinct] projects had been repaired, and arrangements had been successively made for the daily life of the victims.

#### Writes on Army-People Unity

HK0506054591 Changsha Hunan People's Radio Network in Mandarin 2200 GMT 3 Jun 91

[Text] The following are excerpts of an article written by Xiong Qingquan, provincial party committee secretary. The article is entitled: Strengthen Army-People Unity, Make Joint Efforts To Develop Hunan.

If the army and the people unite as one, who in the world can match them? This is a basic conclusion reached by our party, state, army, and people after scores of years of revolutionary struggles. Over the past few years, in face of a turbulent and intricate international situation and phenomenal historical changes as well as in the midst of rigorous and complex political storms, our state and army have been able to withstand pressure, overcome difficulties, and score steady development. A very important reason for this is that we are equipped with CPC-led, rock-firm army-government and army-people unity.

Since the third plenary session of the 11th party central committee, under the correct leadership of the party Central Committee, the State Council, and the Central Military Commission, our province's two-support work support the army and give preferential treatment to families of revolutionary armymen and martyrs, and support the government and cherish the people] has continuously done a service to our province's stability, development, reform, opening up, and modernization building. Both the content and form of our province's two-support work have experienced a new development. As a result, our army-government and army-people relations have been further strengthened. Hunan's political, economic, and social stability and development, as well as two civilizations building achievements, are inseparable from the painstaking efforts made and the sweat dripped by the locally stationed troops. History and reality have time and again attested that armygovernment and army-people unity is at once the source of the strength of our party and army as well as a guarantee for the flourish and growth of our cause. It is by relying on army- government and army-people unity that we won state power. In consolidating our state power, we will again have to rely on army-government and army-people unity. In building the four modernizations and developing China, we will also have to rely heavily on army-government and army-people unity.

Generally speaking, our province is now enjoying sound army-government and army-people unity. Nevertheless, along with in-depth reform, opening up to the outside world, and social and economic development, some new situations and problems have emerged in the work of supporting the government and cherishing the people as well as supporting the army and giving preferential treatment to families of revolutionary armymen and martyrs.

At present, we should strive to further improve our work of supporting the army and giving preferential treatment to families of revolutionary armymen and martyrs as well as supporting the government and cherishing the people in the following three aspects:

1. To persistently carry out national defense education among all the people with a view to enabling the people of the whole province to fully understand our army's role as a strong pillar and steel wall. At present, in view of the

new developments in our two-support work, in carrying out national defense education, we should strive to enable people to correctly understand the relationship between economic and national defense construction, between maintaining a peaceful environment and strengthening national defense construction, and between consolidating proletarian dictatorship and strengthening army building. Leading cadres should not only have a strategic mind for economic construction but also a strategic mind for national defense construction, grasp both economic and national defense construction, and take the lead in strengthening their own national defense concept:

- 2. To continue to attach great importance to army-people unity, take account of the overall situation, and resolve certain army-people contradictions and disputes through consultation. In handling all sorts of problems, we should always adhere to the principle of safeguarding army-people unity as well as the unity-consultation-unity principle. In resolving army-people disputes, comrades on our side should take the initiative in their work, be stricter with ourselves, show magnanimity for the comrades on the other side, show more concern for the troops, and give more thought to the difficulties faced by the troops:
- 3. To continually carry out the two-support activities and the jointly building activities [activities aimed at organizing local people and locally stationed troops to join hands in building two civilizations among the masses in the hope of creating a new situation in which the army and the people will unite more closely and make more concerted efforts to promote Hunan's development. In carrying out the two-support and jointly building work, first, we should work in a down-to-earth manner and build more two-support cities; second, we should carry out in-depth activities aimed at enabling the army and the people to jointly learn from Lei Feng; third, we should wholeheartedly support army building. Party committees and governments at all levels as well as the broad masses of people should take supporting army building as their unshirkable duty, cherish troops as we do our own eyes, show concern for soldiers in the same way as we do for our own families, take the initiative to help the troops overcome difficulties and solve problems, do more realistic things for the troops, take practical measures to alleviate the officers' and soldiers' troubles back home, continue to implement the policy of encouraging and rewarding military industry development to boost the troops' morale, successfully carry out joint army-militia defense, protect military installations, guarantee security around military barracks, and create a fine social environment for army building.

# Hunan Opens Computerized Foreign Exchange Market

OW2905181291 Beijing XINHUA in English 1417 GMT 29 May 91

[Text] Changsha, May 29 (XINHUA)—China's first computerized foreign exchange market opened for business today in Changsha, and recorded transactions of over 1.69 million U.S. dollars in its first day of trading.

The market, which is located in the capital city of central China's Hunan Province, is the only foreign exchange market in inland China. China previously opened other markets in coastal cities, including Shanghai, Xiamen, Fuzhou and Shenzhen, and a number of other cities are preparing to open markets in the near future.

Wang Wenkai, president of the provincial branch of the People's Bank of China, said that computerized transactions have greatly increased the speed, and are free of ercors which are characteristic of oral transactions.

Early in the year, prior to the opening of the new market, the province recorded government arranged purchases and sales of foreign exchange in excess of 210 million U.S. dollars. The figure reflected a 3.77-fold increase over the same period last year, according to Wang.

Wang said that the market is open twice weekly on Wednesday and Saturday mornings.

# Mainland Launches Spratlys Military Maneuver

OW0406100291 Taipei CHINA POST in English 31 May p 15

[Text] Mainland China is currently carrying out maritime maneuvers about 3,000 nautical miles off the mainland coast in the West Pacific Ocean, marking the first time ever the communist regime has launched a military maneuver in remote seas.

Sources in Peking said mainland's missile destroyers, aircraft and helicopter carriers would carry out submarine hunting, missile attack and military supply operations during the maneuvers.

The actions are seen as a display of mainland's military might, aimed at discouraging the claims of other nations, including the Philippines, Indonesia, Vietnam, Malaysia and the ROC [Replublic of China], over the area of Nansha Chuntao, or Sparatly Islands, in the West Pacific Ocean, according to sources. The islands are presently claimed by the mainland.

Mainland authorities however said that the operation is aimed at discovering new naval combat methods and upgrading the navy's combat ability.

According to western military experts the rare maneuver, which will demonstrate the mainland's ability to launch attacks on enemy vessels from naval helicopters, will increase the threat by mainland posed to hundreds of Vietnamese military vessels stationed in the area.

In related news, at least five countries which claim sovereignties over the islands will meet this July in Indonesia to discuss the sovereignty issue.

#### Offshore Islands Martial Law To Be Lifted

OW0306133091 Taipei Voice of Free China in English 0200 GMT 2 Jun 91

[Text] Defense Minister Chen Lu-an stated at a joint meeting of Defense and Interior Committees of the Legislative Yuan on Saturday that the state of war on the offshore islands of Quemoy and Matsu will be lifted on September 31.

He said that a special bill, which will outline safety measures for Taiwan's two frontline islands, will be completed and sent to the cabinet by the end of June. After the cabinet gives its nod of approval, the bill will be sent to the Legislative Yuan for deliberation.

#### President, Premier Inspect Armed Forces Maneuver

OW0106090291 Taipei CNA in English 0804 GMT 1 Jun 91

[Text] Taipei, June 1 (CNA)—President Li Teng-hui said the military has played a vital role in safeguarding national secutiry, maintaining social stability and protecting the welfare of the people. Li made his remarks while inspecting a joint maneuver dubbed Han Kuang 7 involving the three branches of the armed forces, at Miaoli, northern Taiwan yesterday.

Li reviewed the combat skills of the servicemen and reservists after a briefing by General Haung Hsingchiang, army commander-in-chief.

Li lauded the high morale of the officers and men shown in the exercise and the effectiveness of armed forces combat training. He particularly praised the performance of the reservists who put aside their routine work and answered the call of military at short notice.

Li was accompanied by Premier Hao Po-tsun, Chief of the General Staff Chen Shen-ling, Personal Chief of Staff to the President Chiang Chung-ling, and Deputy Secretary-General to the President Cheyne Chiu.

#### Reasons for Exercises

OW0406114691 Taipei CNA in English 0803 GMT 4 Jun 91

[Text] Taipei, June 4 (CNA)— The Government has staged reserve troop exercises after ending the Period of Communist Rebellion because "we cannot afford to be negligent with national security, particularly military security," Premier Hao Po-tsun said.

The premier said the government announcement on May 1 terminating the period of communist rebellion was "a critical step" in the democratic reform program.

Up to now Peking has responded with little goodwill toward the government's measures relaxing tension across the Taiwan Strait, Hao said.

He pointed out that Communist China has never verbally or practically eased its threats to invade Taiwan militarily.

Therefore, the government has staged two reservist military exercises to show that efforts to improve ties with the mainland are made in tandem with efforts to democratize Taiwan and to ensure national security, Hao said.

He noted that the "One Heart" exercise which ended last week had drawn as many as 99.87 percent of the targeted reservists, indicating that "our capability to mobilize reserve troops" is excellent.

# Hao Sees 'Friendly' Response to Guidelines

OW0306181591 Taipei Voice of Free China in English 0200 GMT 3 Jun 91

[Text] Premier Hao Po-tsun Saturday [1 June] suggested that mainland authorities made some friendly moves in response to the ROC's [Republic of China] proposed national unification guideline. Hao said, however, that the ROC Government will gradually promote exchanges between the two sides of the Taiwan Strait no matter what kind of attitude Peking adopts toward Taiwan.

Hao, in office for a year now, said his administration would have three major missions in the future: National unification, constitutional reform, and implementation of the Six-Year National Development Plan. Hao said reunification should be achieved through exchanges, mutual trust, and cooperation as well as negotiations.

#### Premier Hao Po-tsun Holds News Conference

# Unification vs. Independence

OW0406092891 Taipei CNA in English 0803 GMT 4 Jun 91

[Text] Taipei, June 4 (CNA)—Premier Hao Po-tsun Monday urged people to stop squabbling over whether Taiwan should become independent or whether to seek unification with mainland China.

Hao appealed to people to devote their energy instead to developing the nation.

Only by abandoning the conflict over unification or independence "can we create a better tomorrow for the 20 million people in Taiwan," he added.

Fielding questions during a press conference, Hao defended security authorities by saying that the arrests of four alleged members of the Independent Taiwan Association were legal.

"The security authorities did not do anything wrong; they carried out their duties according to the law," he said.

"They handled the case from a legal point of view, never from a political point of view," he added.

However, the premier said he never expected the legal incident to evolve into a student movement.

Hau said what is important to the country now is constitutional reform, which he called "the most vital task in the coming year."

#### Civilian Exchanges

OW0406092991 Taipei CNA in English 0759 GMT 4 Jun 91

[Text] Taipei, June 4 (CNA)—The Republic of China [ROC] will continue civilian exchanges with mainland China, despite Peking's efforts to isolate it in the international community, Premier Hao Po-tsun said Monday.

"Our policy toward mainland China is a positive one," Hao told a news conference marking the first anniversary of his premiership. "We'll seek peaceful and democratic ways to unify China."

"Although Peking has shown no flexibility and goodwill toward us," the four-star-general-turned premier said, "we'll continue people-to-people contacts because what the Chinese communists fear most is 'peaceful transition.""

Hao said the ROC will never accept the Pekingadvocated "one country, two systems" formula and will instead compete against communist China with political and economic strength to win respect and status in the international community.

Although vice economic affairs minister P.K. Chiang was recently denied entry into Moscow because of Peking's pressure, Hao said it was only an "isolated case," and will not affect Taipei's determination to develop substantive relations with all countries in the world, including communist nations.

The premier said, "basically, only the older generation of communist party members still insists on communism. Middle-aged or younger party members are casting it aside."

Hao said he believes relations between Taiwan and the mainland can be gradually improved through civilian exchanges. He cited drops in the illegal entry of mainlanders, pirate attacks on Taiwan fishing boats at sea, and the smuggling of arms as evidence of a response by Peking authorities to the demands expressed by the government-sponsored Straits Exchange Foundation.

#### **New Cabinet Discussed**

OW0406140991 Taipei Voice of Free China in English 0200 GMT 4 Jun 91

[Text] Premier Hao Po-tsun on Monday afternoon [3] Jun] held a news conference. This was the first time that Hao had met with reporters in a question-and-answer session since the cabinet reshuffle. It was also his fourth news conference since taking the post of premier. Hao answered a variety of questions regarding the new cabinet and the Six-Year National Development Plan.

Hao said that the choice of persons to fill cabinet posts left vacant was made on consideration of stability. Hao noted that after all senior lawmakers in the Legislative Yuan retire, there should be no need to confirm him again as premier. He said that when he was first confirmed, both senior and supplementary lawmakers confirmed him, and the supplementary legislators will still be in office.

As to whether or not the president will select a new premier after next year's change in the structure of the nation's parliament body. Hao said that it is something for the constitutional reform task force to decide. He said that whether he stays or goes should be decided by the public and national need.

In changing to other topics, the premier said that the biggest problem of whether or not the Six-Year National Development Plan is successfully carried out is not that fiscal sources are insufficient; rather, it is if all residents here recognize the importance of the plan and work together to carry it out.

In terms of issues relating to the mainland, Hao said that even if Communist China intentionally tries to isolate Taiwan, Taiwan still has great potential to compete with the Communists diplomatically and politically on an international scale. Hao said that the ROC's [Republic of China] mainland policies are very active ones. He noted

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that according to the government's understanding here, besides those elderly Communists who refuse to retire, middle-aged and younger mainland Chinese wish to abandon Communism. He said that this is the reason that the ROC is willing to allow private contacts to a certain extent. He said that the Communists should not be accused of making no positive responses to Taiwan, because they have cooperated on issues such as illegal mainland entrance to Taiwan, smuggling, and illegal firearms. He said the ROC will not allow its trade policy to be affected by actions by Peking. He said the ROC will continue to seek to expand its international standing and seek benefits for itself.

#### Reform To Continue

OW0306181791 Taipei CNA in English 1601 GMT 3 Jun 91

[Text] [No dateline as received]—Premier Hao Po-tsun said Monday the current constitutional reform will go ahead in the coming year, but he stressed that it must be based on the safeguarding of Taiwan.

"We could neither underestimate the threat of the Chinese Communist regime, nor ignore the fact the further cultivation of our democracy is needed," Hao told a press conference Monday, the fourth since he assumed office in May 1990.

More than 120 local and foreign reporters attended the news conference presided over by Director-General Shaw Yuming of the Government Information Office. Hao answered 20 questions at the 90-minute press conference.

The premier called on all people here to shrug off conflict over reunification or independence, saying that "we should abandon this conflict in the future and strive toward constitutional reform and national development."

"Constitutional reform," Hao added, "is not the task of just one party, and it is of great importance that the various parties and factions exchange their views and find common grounds."

As to the Taiwan-mainland relations, Hao pointed out that "our policies toward the Chinese mainland are positive ones." The government of the Republic of China is seeking gradual, peaceful and democratic ways to unify China, he said.

The premier emphasized that the Chinese Communist "one country, two systems" unification formula is not acceptable, and that "peaceful transition' is what communist China fears most."

On the economic front, Hao said that financing the Six-Year National Development Plan is not a problem. "It is the people's faith in the nation that is most important."

In the years ahead, "the government will not rely only upon the issuance of bonds in order to raise needed funds, but will require users to pay, encourage private investment, and privatize national enterprises."

# Legislator Lin Cheng-chieh Quits DPP

OW0306112591 Taipei CNA in English 0801 GMT 3 Jun 91

[Text] Taipei, June 3 (CNA)—Lin Cheng-chieh, the only mainland-born lawmaker affiliated with the Democratic Progressive Party (DPP), announced Sunday his withdrawal from the party.

Lin dropped the bombshell at a press conference and caused a great stir to his fellow party members. Huang Hsin-chieh, chairman of the DPP, said he will do his best to keep Lin in. Cheng Yu-cheng, convener of the DPP caucus in the Legislative Yuan, believes Lin has suffered a lot of stress from his political ideas.

The 37-year old [as received] Lin was a maverick to some of his colleagues. He joined DPP in the hope of forcing ruling Kuomintang to speed up reforms, but was snubbed for his advocacy of a unified China, which is an anathema to many DPP members who favor a Taiwan independent of China. Lin said in a statement that there is no freedom now within the party to say no to the advocacy of Taiwan independence, otherwise, you are regarded as a traitor to Taiwan people." [quotation marks as received] "Differences in political thinking is my major reason to resign from the party," he said.

"Although I have spared no effort to help make DPP a real democratic and progressive party, I admit I have failed and it is about time to quit," Lin said.

Lin said that for the time being he has not considered joining any other party or forming a new one. He said he could still be a "friend" to DPP. Lin said he would write a letter to DPP Chairman Huang, explaining why he has to leave DPP and his expectations from DPP.

Lin is the third lawmaker to quit DPP after Fei Hsi-ping who resigned from the party two years ago and Ju Gao-jeng who resigned from the party last August and formed instead the China Socialist Democratic Party.

# Another Member Quits

OW0506103891 Taipei CNA in English 0851 GMT 5 Jun 91

[Text] Taipei, June 5 (CNA)—C. K. Yang, an Olympic medalist affiliated with the Democratic Progressive Party (DPP), announced Tuesday his withdrawal from the party.

Yang is the second DPP member to quit the party in one week following legislator Lin Cheng-chieh's earlier decision to resign from the major opposition party.

Yang, nicknamed the "iron man", won a silver medal for decathlon in Rome 1960. He told a press conference that "joining DPP was the worst decision I ever made in my life. I have lost many good friends because of that."

Yang quitted Kuomintang and joined the DPP in 1989 after Kuomingtang skipped him in choosing the party's candidate for Taitung county chief in the 1989 general election. Yang said "until now, I still do not quite understand why I made that decision."

Yang said his new decision to quit the DPP had nothing to do with legislator Lin's case. Yang said he was dissatisfied with the DPP's advocacy of Taiwan independence and their violent "body language" in the Legislative Yuan.

Lin Yi-cheng, a DPP official, said that the DPP respected Yang's decision to leave the DPP, adding that DPP members are free to come and go, but are advised not to quit simply for the sake of publicity.

Lin said Yang's decision to leave the DPP might be prompted by the DPP's failure to financially support his 1989 election campaign.

# President Inspects Drought Situation in South

OW0306055091 Taipei Voice of Free China in English 0200 GMT 2 Jun 91

[Text] President Li Teng-hui on Saturday morning made an unexpected trip to Kaohsiung and Pintung Counties in the southern part of Taiwan and expressed his utmost concern about the drought situation affecting the region.

The president stated that the water company should strengthen and improve the quality of tap water and also should carry out water management projects in specific areas in the region as soon as possible without affecting transportation in the area.

Meanwhile, the chairman of the Council of Agriculture, Yu Yu-hsien, on Saturday instructed the heads of various council agencies to send officials to the southern part of the island to find ways to assist people in the area in this period of drought. Yu also visited the Central Weather Bureau to better understand recent weather patterns, and whether or not there is a possibility of rain in the near future. The head of the Central Weather Bureau's forecasting section said that due to a strong Pacific high pressure system blocking the approach of frontal system to Taiwan, there is no chance for heavy rains in the near future. However, from viewing cloud patterns above Taiwan, there could be a chance of rain by late next week.

#### Irrigation Water Cut

OW0106191091 Taipei CNA in English 1527 GMT 1 Jun 91

[Text] Taipei, June 1 (CNA)—The Council of Agriculture (COA) has announced that it will stop supplying irrigation water in several southern Taiwan areas beginning Sunday, forcing farmers to put off the second-season planting of rice seedlings.

Farmers are due to plant rice seedlings for the second harvest in May or early June. Tropical weather enables farmers to reap at least two harvests a year in Taiwan.

COA made the announcement after an emergency meeting Friday on ways to tide the nation over severe water shortages caused by the dry weather in recent months.

COA officials said that water behind the Tsengwen and Wushantou Dams, the two major reservoirs in southern Taiwan, together amounted to 25 million tons, far below the 40-million-ton "usable" limit.

As a result, they said, the government must stop supplying irrigation water in order to meet demands for tap water in urban and rural communities.

The Taiwan Provincial Water Company also plans to switch power-generating and irrigation water to household and factory use.

Weathermen said rainfall in May, 89.9 mm, was at a 30-year low, compared with an average of 230 mm during the month. They were not optimistic about June, during which they forecast rainfall to reach only 70-90 percent of past average.

Dryness is not only affecting land tillers, but also aquaculturists and dairy farmers.

Shrimp raisers in the southern Taiwan counties of Pintung and Tainan reported the widespread premature deaths of young shrimp, and chicken raisers in Changhua County, central Taiwan, said their chickens suddenly died.

If the situation continues to deteriorate, COA said it will declare these counties "disaster areas" eligible for emergency government loans.

#### 'Disaster Areas' Declared

OW0306112291 Taipei CNA in English 0807 GMT 3 Jun 91

[Text] Taipei, June 3 (CNA)— The Council of Agriculture (COA) Monday morning declared Yunlin and five other southern and eastern Taiwan counties "disaster areas."

Chiayi, Tainan, Kaohsiung, Taitung and Hualien Counties, in addition to Yunlin, have been hard hit by drought, and the emergency measures will help tide them over their current difficulties. COA said.

Farmers and fishermen in the six counties can apply for emergency loans from local banks and credit cooperatives, COA said.

It, calling on people not to worry about food shortages, said that the government has a 900,000-ton rice reserve, and that this year's first harvest is estimated at 960,000 tons, large enough to meet domestic needs.

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COA made the decision after a breakfast meeting during which officials from several government agencies discussed how to help affected farmers and how to cope with water shortages.

COA Chairman Yu Yu-hsien also reported on the drought to the Legislative Yuan's Economic Affairs Committee.

#### **Drought Worsens**

OW0606090291 Taipei CNA in English 0809 GMT 6 Jun 91

[Text] Taipei, June 6 (CNA)—With the current drought worsening, the Council of Agriculture (COA) yesterday declared Tainan and Kaohsiung Cities and Pingtung County "disaster areas."

Six other counties—Yunlin, Chiayi, Tainan, Kaohsiung, Taitung and Hualien—had earlier been declared drought-hit "disaster areas."

According to COA standards, a county or city will be declared a "disaster area" where affected farmland reaches 1,000 hectares and property losses exceed 10 million NT [new Taiwan] dollars.

Farmers and fishermen in these counties and cities can apply for emergency loans from local banks and credit cooperatives, COA said.

The council urged the government to set up a supraministerial anti-drought task force to help affected farmers and fishermen through their current difficulties and to cope with water shortage problems.

COA said water levels in the country's major reservoirs have dropped to 15 percent of capacity. The two-month-long dry spell has also caused serious damage to farm crops, and husbandry and aquacultural industries, it added.

Taiwan provincial agricultural authorities estimated that more than 1.31 billion NT dollar worth of farm produce, livestocks, shrimp and other fishery resources have been lost during the past two months.

The Environmental Protection Administration (EPA) yesterday announced a package of measures to fight against the current drought.

EPA called on households, factories and fishing pond operators to reduce water consumption and to conserve water resources. It hoped that factories, if possible, would reduce production during the drought in order to curtail waste water emissions.

The agency will tighten its inspections of factory waste water emissions. Those who violate new water pollution regulations will be fined up to 600,000 NT dlrs, and those who fail to improve their waste water pollution controls within a specified time will be ordered to suspend operations.

EPA Director-General Jaw Shao-kang directed provincial and municipal environmental protection agencies to

intensify checks of river pollution and to clean up the rivers and streams under their jurisdiction.

Yu Yu-hsien, chairman of the COA, said this morning that the country's rice reserves can meet domestic demand for more than one and a half years.

"The current drought will, therefore, not affect domestic rice supplies," Yu told a Legislative Yuan floor meeting.

# Peng Ming-min Removed From Sedition List

OW0506094591 Taipei CNA in English 0740 GMT 5 Jun 91

[Text] Taipei, June 5 (CNA)—The Taiwan High Court Prosecutor's Office removed Peng Ming-min and six others from its list of those wanted for sedition.

But the prosecutor's office kept eight others on the list, and urged them to surrender to the authorities in order to resolve their cases.

Except for Peng, who had been charged with sedition for advocating Taiwan independence, the other six—Shao Liang, Yuan Hsing-chieh, Yeh Nan, Chang Shuang-chao, Li Wo-yen and Lin Ping-sung—have been wanted for defecting to Communist China.

The prosecution also decided not to indict the seven since the charges brought against them have passed the 12-year statute of limitations.

Prosecutor Chen Ching-pi said Peng, now living in Oregon, the United States, had left the seditious Taiwan Independence League in 1978, so was dropped from the wanted list.

In an inteview with a local daily, Peng said he can feel a little pleasure over the very fact that he is no longer a wanted seditionist.

The former director of the Department of Political Science at National Taiwan University reiterated his call to abandon conflict over unification or independence.

"If you really love Taiwan, drop the fight over the issue and do something good for Taiwan's democratization and economic development," he told the daily. He has not decided on whether to return to Taiwan.

The eight remaining on the wanted list are Shih Chaohui (A.K.A. Shih Ming), Chang Tsan-hung, Lin Chenchang, Kuo Pei-hung, Hsu Fu-yuan, Chen Ching-po, Li Ying-yuan, and Tsai Tien-sh.

The prosecution move came on the heels of the government repeal of sedition and anti-communist spy statues. New charges will be based on Article 100 of the criminal code, which is also being revised.

#### Taipei-Manila Joint Statement on Fishery Talks

OW2905115291 Taipei CHUNG YANG JIH PAO in Chinese 24 May 91 p 1

[Text] After the conclusion of their fishery talks on 22 May, the Republic of China [ROC] and the Philippines issued a joint statement, saying that the two sides will conduct further consultations.

The text of the joint statement follows:

Representatives of the two sides will conduct further consultations from 4 to 7 July this year in Taipei.

Because of the limited time, no conclusions have been reached on the following three questions:

- 1. The choice of the location of the sealane;
- The cooperative exploitation and conservation of fishery resources in disputed areas; and
- 3. A fishery cooperation agreement.

After confirming that these questions need to be discussed, both sides are clearly aware of their respective positions and express that there is a correct direction for solving these questions. Both agree that time is required to draft concrete proposals in the interest of both sides.

At present, the two sides have concluded a series of discussions with remarkable results. The discussions have fulfilled the goal of friendship, peace, cooperation, and mutual respect long expected by both sides. This is precisely the golden rule followed by sages and wise men in ancient China and constituting the basis of human and international relations. This rule was also observed by participants of the two sides in carrying out discussions in the talks.

All agreements reached between the two sides are based on friendship between the two countries and the conviction that the people of both countries will benefit from the agreements. It was also stressed at the discussions that any concession made by one side should be reciprocated by the other side on the basis of its current needs, national security, domestic economic prosperity, and the principle of mutual benefit.

The delegation led by Chiu Mao-ying, vice chairman of the Council of Agriculture, said: If a just and fair resolution on these questions is worked out to the satisfaction of both sides, the delegation is ready to help the Philippines develop fisheries on a mutually beneficial basis through such methods as providing the Philippines with fishing boats gratis, as well as technical assistance and training programs and encouraging its people to develop fishery bases in the Philippine-designated areas that can be used by fishermen of both countries. The ROC promises to offer a more perfect plan before the next meeting and send technicians to the Philippines to make a feasibility study for this plan and to look further into the needs of the Philippines.

The Philippine side promises to ask its civil fishing industry's opinion about a fishery cooperation agreement prior to the next meeting. It also agrees to actively work out an alternative sealane plan in the interest of both sides and to make provisional arrangements to solve the question of overlapping areas of waters under the condition of nonviolation of the Philippine Constitution.

All talks were held by the representatives of the two countries in the spirit of friendship and fraternal nations.

# USSR Said Ready To Strengthen Economic Ties

OW0206195891 Taipei China Broadcasting Corporation News Network in Mandarin 2300 GMT 31 May 91

[Text] During their meeting with members of a Chinese economic and trade delegation, principal responsible persons of USSR's state economic and trade departments explicitly indicated that they are ready to strengthen economic and trade relations with China, and agreed to speed up the establishment of an official channel of communication between the two countries. China also has agreed in principle to consider loans and aid for the Russian Soviet Federated Socialist Republic [RSFSR] through the International Economic Cooperation and Development Fund [IECDF] after representative offices are set up in each other's countries. CBC [China Broadcasting Corporation] reporter Wang Hsiaoling has the following report:

[Begin recording] [Wang Hsiao-ling] Liu Ting-tzu, acting head of the Republic of China [ROC] economic and trade delegation to Eastern Europe, called on the president of the USSR National Bank and key Soviet foreign trade officials, including the vice ministers of RSFSR Ministries of Foreign Economic and Trade Relations and Finance.

Liu Ting-tzu said that barely a year ago, Soviet officials were reluctant to have any contact with ROC officials, so it can be said that the meeting itself is fairly significant as a breakthrough. During the meeting, the Soviet officials unequivocally indicated that they were ready to strengthen economic and trade relations with us. Liu Ting-tzu said:

[Liu Ting-tzu] The impression I got from my talks with key Soviet officials is that they were continuously positive about strengthening economic and trade relations with us. This is totally different from the situation when I visited the USSR at this time last year. At that time, they were trying to avoid me, and even when we met they were reluctant to say they were willing to strengthen economic and trade relations with us. All they said was that private enterprises might be allowed to do business with us. However, what they said this time was different. Now they deem it their established stand to strengthen economic and trade relations with us.

[Wang Hsiao-ling] Liu Ting-tzu also said that most Soviet officials deemed it necessary to establish an official channel of communications between the two countries; this includes a major plan for the two sides to exchange representative offices. It has been learned that our country's basic principle is to have the two sides TAIWAN 59

exchange representative offices, then give priority to developing technical cooperation through the IECDF in order to help the USSR develop small and medium-sized enterprises. As for loans, priority will be given to the RSFSR. For the moment, loans for the other republics are not under consideration because they are not that important or close to us. As a matter of fact, the RSFSR is most keen about cooperation with us. Its officials have indicated clearly that Chinese businesses are welcome to take part in producing timber in Siberia and to assist in local construction.

In addition, the official Soviet television stations, newspapers, and news agencies have given in-depth coverage to the delegation's activities. This is also a sign that USSR has improved its attitude toward us.

This is CBC reporter Wang Hsiao-ling reporting from Moscow, USSR. [end recording]

## State Firms Plan To Buy Soviet Raw Materials

OW0506100591 Taipei CNA in English 0756 GMT 5 Jun 91

[Text] Taipei, June 5 (CNA)—The Commission of National Corporations (CNC) will help the 10 state-run enterprises under its jurisdiction to conduct counter trade with the Soviet Union.

The decision was reached at a meeting yesterday of CNC officials and senior executives from the 10 companies.

The socialist giant is rich in natural resources, but lacks hard currency to import consumer goods. Counter trade is, therefore, a common practice in business with the Soviet Union.

It was decided during the meeting that CNC will open a special account at the Central Trust of China to facilitate counter trade with the Soviets. The Central Trust will collaborate with a parallel Soviet organization to handle dealings between the two countries.

The state-run companies will purchase raw materials and fossil fuel from the Soviet Union and payments will be partially or totally deposited in the Central Trust account. Such funds will then be used to finance Soviet purchases of Taiwan-made consumer goods.

The products the 10 state firms plan to buy from the Soviets include coal, crude oil, steel and aluminum rods, raw salt, potassium chloride and liquified ammonia.

#### Unofficial Ties With USSR To Continue

OW3105083391 Taipei CNA in English 0737 GMT 31 May 91

[Text] Taipei, May 31 (CNA)—A Ministry of Foreign Affairs official said yesterday that the Soviets had been "niggardly" by issuing an entry visa to Vice Economics Minister P.K. Chiang but then refusing to let him in.

The official called it an "isolated" incident which he believes will not affect substantive exchanges between the two countries.

In another response, Vice Foreign Minister John Chang regretted the Soviet behavior but said that it will affect neither the Government's "pragmatic diplomacy" of developing ties with the Soviet Union nor Soviet applications to visit the Republic of China [ROC].

Though the official reasons for Chiang's being refused entry remain to be determined, Chang said, basic trade, economic, and cultural exchanges between the Republic of China and the Soviet Union will not be affected.

Economics Minister Vincent Siew said the Government will not retaliate. "We will not purposely erect stumbling blocks to Soviet officials or businessmen trying to visit here," he said.

Chiang, leader of an ROC trade mission visiting East European countries, was forced to change his schedule.

The vice minister's role in leading a Moscow seminar was taken by Augustine Liu, secretary general of the China External Trade Development Council.

The seminar, on "Relations Between the Republic of China and the Soviet Union," attracted enthusiastic Soviet participants and wide Soviet media coverage.

Close encounters with Chinese Communists will become more and more frequent, Chiang commented, and he accused Peking of pursuing its "isolate Taiwan" policy on all fronts.

Peking has been trying to curround the ROC delegation on literally all fronts by sending three large buying missions to Eastern Europe while the ROC delegation was there, Chiang said.

Chiang said he believed the Soviets abruptly canceled his visa to enter the Soviet Union because of strong pressure from Peking.

He pointed out that the incident is clear proof that the Chinese Communist regime has not shown any goodwill toward the Republic of China since Taipei opened civilian exchanges across the Taiwan Straits.

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